(Please click on highlighted areas to view attachments)

Franklin County
A Natural Setting for Opportunity

AGENDA
FRANKLIN COUNTY BOARD OF SUPERVISORS
TUESDAY, NOVEMBER 17, 2015

1:30 P.M. Call To Order, Chairman Cline Brubaker

1:31 Invocation, Supervisor Bobby Thompson

1:32 Pledge of Allegiance, Supervisor Leland Mitchell

1:33 Public Comment

- C. Holland Perdue - Rebid for Delinquent Tax Collection ***(See Attachment #11)***
- Mark Laity-Snyder - Mountain Valley Pipeline ***(See Attachment #10)***

1:39 CONSENT AGENDA (***REQUIRES ACTION***)

REF: 1. Approval of Accounts Payable Listing, Appropriations, and Minutes for October 20, 2015
2. Coyote Bounty Funding ***(See Attachment #3)***
3. Appointment of Steven Sandy, Zoning Administrator ***(See Attachment #8)***
4. Authorization to Advertise Waid Park Field Leases ***(See Attachment #4)***
5. Landfill Collection Site Fencing Bid Award ***(See Attachment #9)***
6. Solicitation for Callaway Volunteer Fire Department Fire Apparatus Purchase ***(See Attachment #2)***
7. Planning Commission/BOS Advertising for Public Hearings Policy Process ***(See Attachment #7)***
8. Purchase of Solid Waste Vehicles ***(See Attachment #13)***

1:42 Vincent Copenhaver, Director of Finance

REF: 1. Monthly Finance Report

1:50 Michael Thompson, Indoor Plumbing Rehabilitation Program Regional Administrator

Alfred Chevalier, Rehabilitation Specialist

REF: 1. Total Action For Progress (TAP) Update ***(See Attachment #5)***

W. BRENT ROBERTSON
COUNTY ADMINISTRATOR
1255 FRANKLIN STREET, SUITE 112
ROCKY MOUNT, VIRGINIA 24151
(540) 483-3030
brent.robertson@franklincountyva.gov
www.franklincountyva.gov

2:10 Brent Robertson, County Administrator

REF: 1. Board Planning Retreat/December 2 & 3, 2015 1-5 PM

2. Legislative Agenda ***(See Attachment #6)***

3. Overview on Information of Delinquent Tax Collection

4. Other Matters

2: 20 Other Matters by Supervisors

2:30 **WORK SESSION**

OmniSource/Landfill ***(See Attachment #12)***

3:00 Request for Closed Meeting in Accordance with 2.2-3711, a-1, Personnel, a-3, Acquisition of Land, & a-5, Discussion of a Prospective New Business or Industry, or Expansion or Retention of an Existing One, & a-29, Contracts of the Code of Virginia, as Amended.

Certification of Closed Meeting in Accordance with 2.2-3712 (d), of the Code of Virginia, as Amended.

APPOINTMENTS:

(See Attachment #1)

Recess Thereafter until Wednesday, December 2, 2015 @ 1:00 P.M./1st day of Board Retreat

RISE & SHINE GUESTS FOR NOVEMBER ARE BOBBY THOMPSON & CHRIS

THE FOLLOWING TERMS ARE UP FOR RE-APPOINTMENT
BY JUNE 30, 2015
NOVEMBER 18, 2015
&
DECEMBER 15 & 31, 2015

(NOTIFICATION IS GIVEN ACCORDING TO THE BOARD'S POLICY/60 DAYS PRIOR TO EXPIRATION)

COMMITTEE	NAME	ADDRESS	DISTRICT	YEAR	TERM EXPIRES
AG BOARD	Daniel Austin	5688 Old Forge Road Rocky Mount, VA 24151	Crops	OPEN	12/15/2015
AG BOARD	Lynn Satalino	220 Mallard Point Road Wirtz, Va 24184	Equine	OPEN	12/15/2015
AG BOARD	Connell McEnheimer	4999 Sontag Road Rocky Mount, VA 24151	Tobacco	OPEN	12/15/2015
AG BOARD	Jason Thurman	703 Woodman Road Rocky Mount, VA 24151	At Large Member		12/15/2017
AG BOARD	Mark Woods	4111 Wades Gap Road Boones Mill, VA 24065	Produce		12/15/2017
AG BOARD	Stephen Bray	511 Heritage Hollow Lane Penhook, Virginia 24137	Dairy		12/15/2016
AG BOARD	David Craun	905 Kenwod Road Glade Hill, VA 24096	Horticulture		12/15/2017
AG BOARD	Ethan Cundiff	1712 Novelty Road Penhook, VA 24137	At Large Member		12/15/2017
AG BOARD	Davis Torrence	2801 McNeil Mill Road Rocky Mount, VA 24151	Cattle		12/15/2017
AG BOARD	Katherine Adams	1045 Kinsey Lane Boones Mill, VA 24065	Orchard		12/15/2017
F. C. IDA	George McCall	1829 Deepwoods Road Hardy, Virginia 24101	Boone	4-Year	11/18/2015
F. C. IDA	Peter Coriasco	180 Windmere Trail Moneta, VA 24121	Gills Creek	4-Year	11/18/2015
STEP, INC.	Joey Cornwell	Post Office Box 411 Ferrum, VA 24088		3-Year	6/30/2015
HOUSING REHAB BOARD	Charles Wagner	330 Riverview St. Rocky Mount, VA 24151		1-Year	12/31/2015
HOUSING REHAB BOARD	William O. Helm	2174 S. Main Street Rocky Mount, VA 24151		1-Year	12/31/2015
HOUSING REHAB BOARD	Mike Thurman	445 Franklin Street Rocky Mount, VA 24151		1-Year	12/31/2015
HOUSING REHAB BOARD	Steve Sandy	1255 Franklin Street Rocky Mount, VA 24151		1-Year	12/31/2015

THE FOLLOWING TERMS ARE UP FOR RE-APPOINTMENT
BY JUNE 30, 2015
NOVEMBER 18, 2015
DECEMBER 15 & 31, 2015
&
FEBRUARY 1, 2019

(***NOTIFICATION IS GIVEN ACCORDING TO THE BOARD'S POLICY/60 DAYS PRIOR TO EXPIRATION***)

COMMITTEE	NAME	ADDRESS	DISTRICT	YEAR	TERM EXPIRES
HOUSING REHAB BOARD	Don Smith	1255 Franklin Street Rocky Mount, VA 24151		1-Year	12/31/2015
SO. AREA AGENCY ON AGING	Maggie Gray	129 Leeward Drive Moneta, VA 24121	At Large Member	3-Year	12/31/2015
WEST PEIDMONT PLANNING COMMISSION BOARD	Leland Mitchell	4180 Sontag Road Rocky Mount, VA 24151	BOS Rep	1-Year	12/31/2015
WEST PIEDMONT PLANNING COMMISSION BOARD	Bobby Thompson	Post Office Box 40 Ferrum, VA 24088	BOS Rep	1-Year	12/31/2015
WESTERN VA REGIONAL JAIL AUTHORITY	Charles Wagner	330 Riverview Street Rocky Mount, VA 24151	BOS Rep	1-Year	12/31/2015
WESTERN VA REGIONAL JAIL AUTHORITY	Christopher Whitlow	1255 Franklin Street Rocky Mount, VA 24151	Admin. Rep	1-Year	12/31/2015
WESTERN VA. INDUSTRIAL DEVELOPMENT AUTHORITY	Mike Burnette	1255 Franklin Street Rocky Mount, VA 24151	Alternate	2-Year	12/31/2015
WESTERN VA. INDUSTRIAL DEVELOPMENT AUTHORITY	Don Smith	1255 Franklin Street Rocky Mount, VA 24151	Alternate	2-Year	12/31/2015
WESTERN VA. EMERGENCY MEDICAL COUNCIL	Daryl Hatcher		Administration	3 Year	12/31/2015

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FRANKLIN COUNTY
Board of Supervisors

Franklin County
A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE: Callaway Volunteer Fire Department fire apparatus purchase	**AGENDA DATE:** Nov. 17, 2015 **ITEM NUMBER:**
SUBJECT/PROPOSAL/REQUEST Urban Interface Project/authorize advertisement for bids.	**ACTION:** Yes **INFORMATION:**
STRATEGIC PLAN FOCUS AREA: **Goal # 4.3** **Action Strategy: Develop responses based on best practices.**	**CONSENT AGENDA:** Yes **ACTION:** **INFORMATION:**
STAFF CONTACT(S): Messrs. Robertson, Hatcher	**ATTACHMENTS:** **REVIEWED BY:** BR

BACKGROUND: An urban interface engine is a specialty vehicle designed to access areas where conventional fire apparatus cannot safely respond. It is designed on a smaller chassis than a structural fire engine but is equipped with a pump that is capable of fighting structure fires. There are 79 homes in the Callaway Volunteer Fire Destrict that cannot be accessed with large fire apparatus due to bridge crossings and/or narrow access roads and driveways according to the district Fire Chief. Some roads in the Callaway area become impassable to conventional fire apparatus after minor rain storms and are only accessible by four-wheel drive vehicles following winter storms. A typical urban interface engine is equipped with 4 wheel drive, a 500-750 gallon-per-minute fire pump, a 300-500 gallon water tank.
Brush trucks do not have the pump and water capacity to fight a structure fire. Urban Interface fire engines are designed to be capable to fight structure fires in areas with limited and poor access. There are three urban interface fire engines in Franklin County, one in Boones Mill, one in Fork Mountain and the other in Rocky Mount. The Urban Interface Project will place a fourth urban interface engine in service in the Callaway area that will be available to assist Ferrum Fire Department as needed.

DISCUSSION:
The vehicle being advertised for bids for Callaway Fire Department is smaller than interface engines in Boones Mill and Rocky Mount. In addition to the firefighting equipment, it will be equipped with vehicle extrication tools and gear. Responding this vehicle to motor vehicle accidents eliminates the need for duplicate apparatus to respond with fire suppression and extrication equipment. Since the interface engine will be smaller it will be able to respond more efficiently.
Specifications for this vehicle have been developed by Callaway Volunteer Fire Department and Public Safety Staff that are ready to be advertised for bid. Funds have been set aside in the current CIP budget to purchase the vehicle.

RECOMMENDATION: Staff respectfully recommends the Board of Supervisors approves the advertisement to solicit bids from interested manufacturers.

FRANKLIN COUNTY

Board of Supervisors

Franklin County

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EXECUTIVE SUMMARY

AGENDA TITLE: Additional Appropriation for Coyote Bounties **SUBJECT/PROPOSAL/REQUEST** Request of the Board to increase the appropriation of funds for coyote bounty payments. **STAFF CONTACT(S):** Messrs. Robertson, Hatcher, Copenhaver	**AGENDA DATE:** Nov. 17, 2015 **ITEM NUMBER:** **ACTION:** **INFORMATION:** **CONSENT AGENDA:** YES **ACTION:** YES **INFORMATION:** **ATTACHMENTS:** **REVIEWED BY:** BR

BACKGROUND:

The coyote bounty payment is currently set at $35.00 per coyote.

DISCUSSION:

Last fiscal year (July 1, 2014 through June 30, 2015) a total of $4,935 was spent on coyote bounty payments. $2,500 is budgeted in the current fiscal year and $560 has been spent from July 1, 2015 through October 31, 2015.

Historically, the County has seen an increase in Coyote harvesting during the fall and winter hunting seasons.

RECOMMENDATION:

Staff respectfully requests the Board of Supervisors appropriate an additional $2,500 to the coyote bounty account (3501-55804) from the Board's operating contingency.

FRANKLIN COUNTY
Board of Supervisors

Franklin County
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EXECUTIVE SUMMARY

AGENDA TITLE: Agricultural Leases at Waid Recreational Area	**AGENDA DATE:** November 17, 2015 **ITEM NUMBER:** **CONSENT AGENDA:** Yes
SUBJECT/PROPOSAL/REQUEST Request permission to proceed with bidding.	**ATTACHMENTS:** Advertisement and Map
STAFF CONTACT(S): Robertson, Whitlow, Chapman, Newbill	**REVIEWED BY:** RR

BACKGROUND:
Since 2001, the Franklin County Board of Supervisors has contracted with local farmers to lease certain areas of the Waid Recreation Area for agricultural purposes. These leases have been done on a two-year basis with farmers bidding for the leasing of specific areas. Bidders submit information regarding the proposer's name, address and phone, what the land would be used for, lease fees proposed, improvements to be made and any other considerations the proposer wishes to be considered. Leases that were previously approved are set to expire in December 2015. Utilizing this agricultural lease method reduces maintenance costs to the County, but also takes such property out of potential recreational use.

DISCUSSION
For the current cycle, Franklin County has leased out eleven tracts totaling approximately eighty-four acres of farmable land. The county receives approximately $2,918 annually from these leases. Staff has been pleased with the utilization of this unused property, and staff encourages the continuing of this program. If the Board decides to move forward with the leasing of the property at the Waid Recreational Area, advertisements and a public hearing will be required. Lease awards would go to the highest bidder for another two years.

RECOMMENDATION:
Staff respectfully requests that the Board of Supervisors grant permission for staff to solicit bids for the field leases at the Waid Recreational Area for a period to commence in January 2016 and conclude in December 2018 and schedule the required public hearing for the Board's December 15th meeting accordingly.

COUNTY OF FRANKLIN
LAND AVAILABLE FOR AGRICULTURAL LEASE
WAID PARK AREA
REQUEST FOR PROPOSALS

The County of Franklin is seeking proposals for a lease arrangement for period of up to (2) years for agricultural purposes. These properties are located on Six Mile Post Road (Route 640) at Waid Park in the Blackwater Magisterial District. Arrangements to view the land may be made by calling the Parks and Recreation Department at 540-483-9293, and speaking with Ben Newbill.

Sealed proposals marked in the upper left hand corner "**Waid Lease**" are solicited with a due date of December 1, 2015 at 4:00PM and delivered to:

Sharon Tudor, MMC
Procurement Specialist
County of Franklin
1255 Franklin Street, Suite 111
Rocky Mount, VA 24151

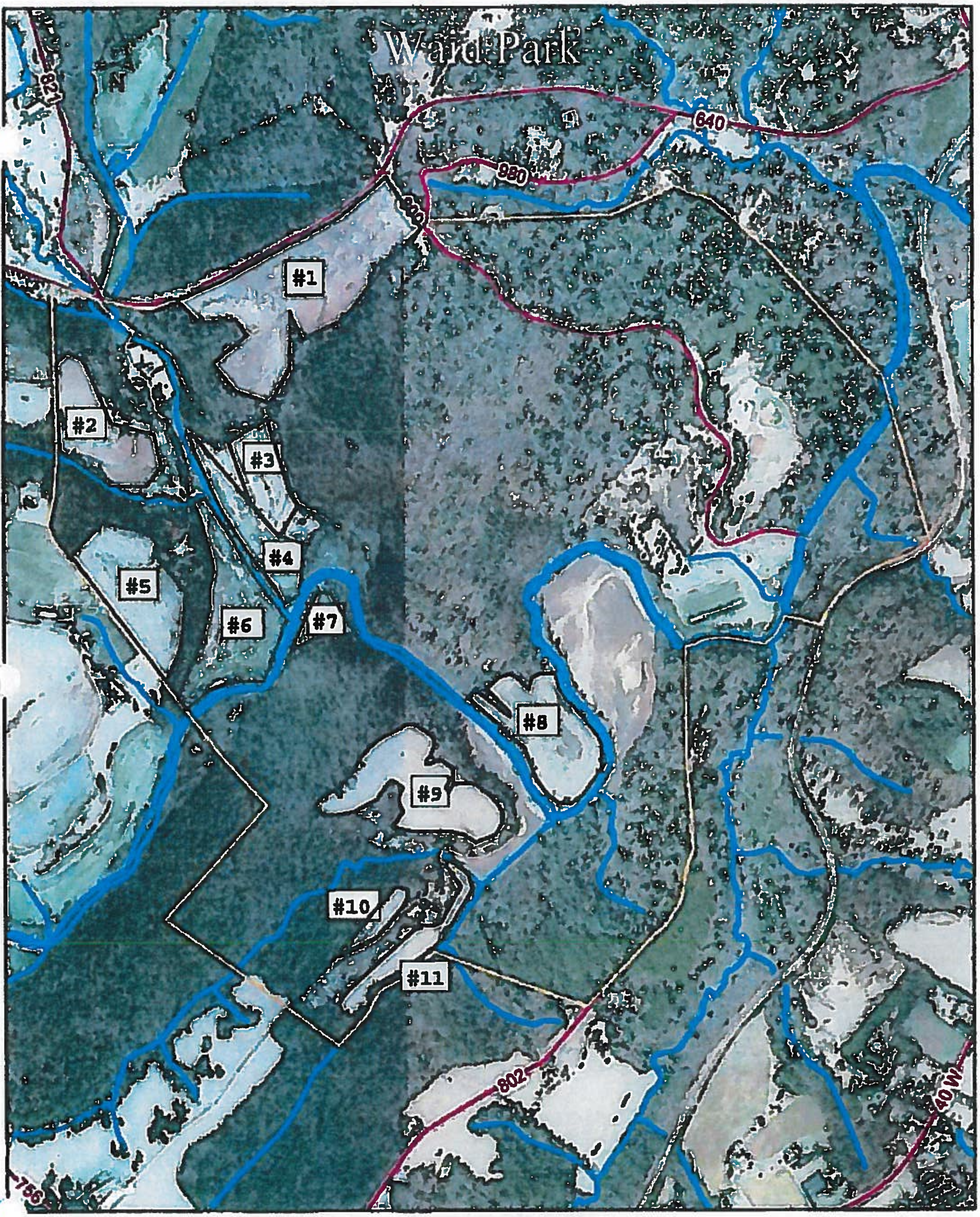
No electronic proposals (faxes, e-mails, etc.) will be accepted.

Proposals should include information regard the proposer's name, address and phone, what the land would be used for, lease fees proposed and/or improvements to be made, and any other considerations the proposer wishes to be considered. The County reserves the right to negotiate and set conditions for the land use.

Sharon K. Tudor, MMC

Sharon K. Tudor, MMC
Clerk

FRANKLIN NEWS POST:
Friday, November 27 & Monday, November 30, 2015 editions



Streams

Roads

Ward Park Boundary - Approximate

Aerial Imagery Copyright 2002
Commonwealth of Virginia

500 250 0 500 Feet

Please Note: All Fields are on a 2 year lease

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Report to:

Franklin County Board of Supervisors

November 17, 2015

TAP Energy Conservation and Housing Rehab (ECHR)

Contents

- **ECHR Summary Page**
- **IPR Project Summary**

Franklin County Board of Supervisors
November 17, 2015
TAP Energy Conservation and Housing Rehab (ECHR)

Contacts for the Component are as follows;

Director	Rick Sheets	540.283.4891
Weatherization Apps	Tonya Williams	540.283.4899
IPR	Michael Thompson	540.283.4897
Emergency Home Repair	Alfred Chevalier	540.283.4879

Indoor Plumbing and Rehab Information Update:.

Indoor Plumbing and Rehab Services; July 1, 2014 through August 31, 2015

Homes completed	3
Total number of people in these homes	5
Total amount spent on this home	$293,124.00
Total Invested	**$293,124.00**

Respectfully Submitted;

Rick Sheets
Director, ECHR

Our Mission:

TAP helps individuals and families achieve economic and personal independence through education, employment, affordable housing, and safe and healthy environments.

Our Vision:

To create a nation, a commonwealth and a community which achieves their highest economic and social potentials by each individual having the opportunity to reach the full extent of his or her capabilities, and to participate in the American way of life.

"A society in which everyone has the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity." - from the Preamble to the Economic Opportunity Act of 1964

Our Organizational Values:

Respect for others, their talents and potentials

Advocacy for the oppressed, the disadvantaged, and the disenfranchised

Results orientation

Fiscal and programmatic accountability

Teamwork, collaboration with others, and partnership-building

Excellence in performance

Innovation:

The passion to make a difference

Investment in people's lives

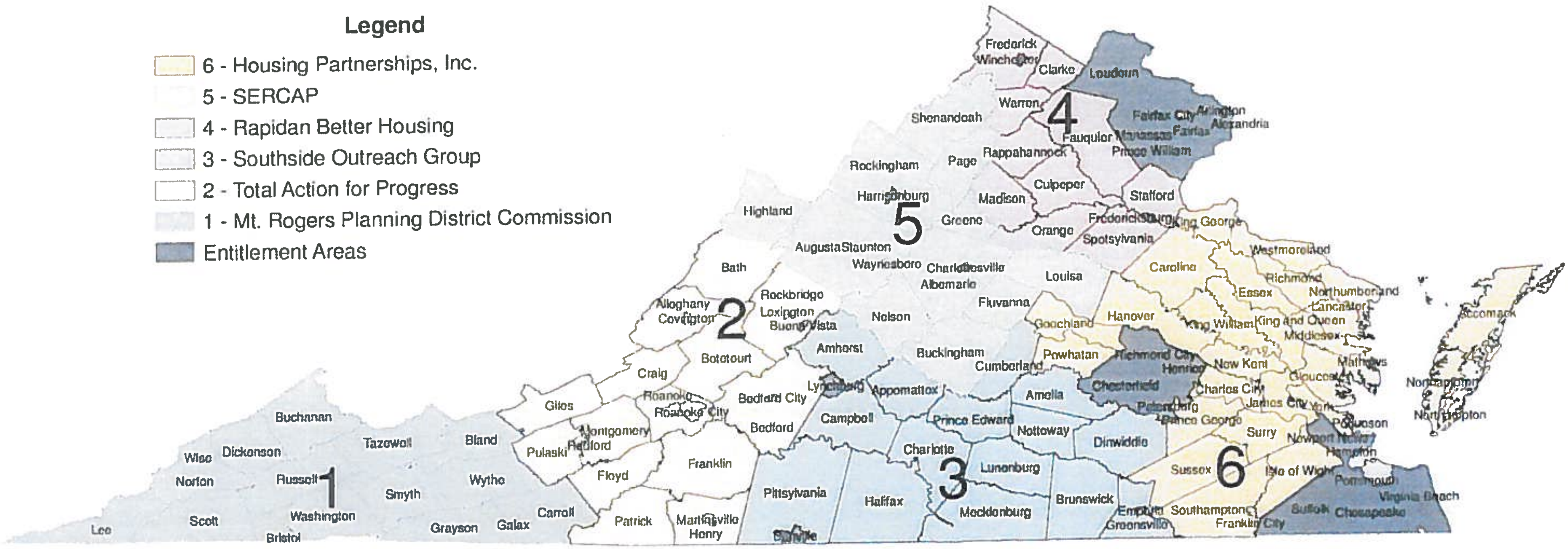
Responsiveness to the needs of the community tap into hope

INDOOR PLUMBING REHABILITATION

The program is for homeowners who currently have no bathroom within the footprint of the home, has a failed or failing septic system, or has a bathroom but waste drops directly on the ground. The program comes in the form of a loan at 0% interest for ten years. The amount the client would pay back is based on an ability to pay.

The home will be inspected to verify that it meets HUD Housing Quality Standards. If the house is found to be deficient then the items identified will be repaired or replaced.

Regional IPR Coverage



IPR Project **Completed: July 2015**

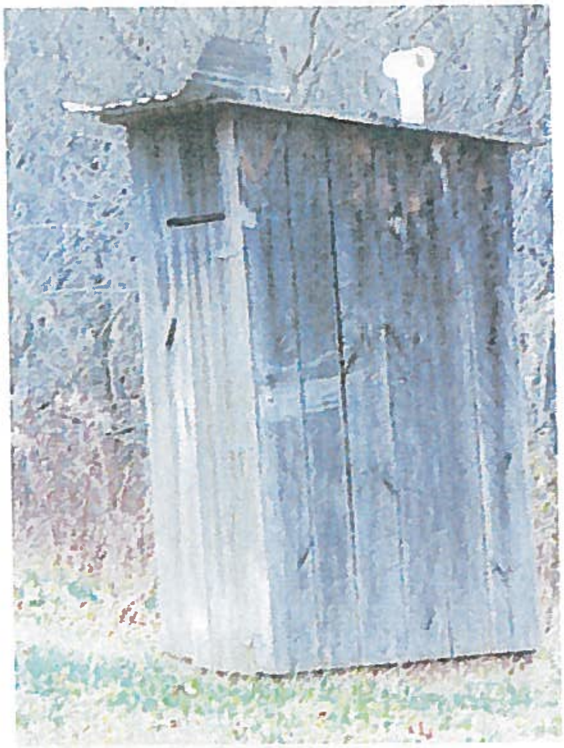
New Residence
Boones Mill, Virginia
Franklin County
Demographics: Family of two

Scope of Work Installed on Residence

- The existing house was beyond repair and was removed.
- The existing outhouse was abandoned and sealed.
- A new septic system was installed.
- A new well was installed.
- A new 24' x 32' house was built to replace the existing.
- Total Expenditures: $97,703.00

A new two bedroom house was constructed.

Photo of the Existing Residence – Demolished



Outhouse - Removed

Photo of New Residence

EQUAL HOUSING
OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

IPR Project **Completed: August 2015**

New Residence
Glade Hill, Virginia
Franklin County
Demographics: Female head of household

Scope of Work Installed on Residence

- The existing house was a converted storage shed that was not able to be rehabilitated.
- A new 640 sf house was designed and built. The existing shed was to be removed.
- A new septic system was installed.
- A new well was installed.
- Total Expenditures: $89,000.00

A new two bedroom house was built.

Photo of the New Two Bedroom Residence

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868


Photo Existing Structure to be Removed

EQUAL HOUSING OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

IPR Project | Completed: September 2015

New Residence
Ferrum, Virginia
Franklin County
Demographics: Family of two

Scope of Work Installed on Residence

- The existing house was not able to be rehabilitated. The house is to be removed.
- A new 864 sf two bedroom house was designed and built.
- A new alternative septic system was installed. The septic system involved clearing a site uphill from the house. The house was located back from the road.
- The house was connected to an existing well and that is connected to the new house.
- Total Expenditures: $106,421.00

A new two bedroom house was built.

Photo of the Existing House to be Demolished

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

Photo of New House Under Construction

EQUAL HOUSING
OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

IPR Project **Completed: July 2014**

New Residence
New Castle, Virginia
Craig County
Demographics: Family of four, 2 children

Scope of Work Installed on Residence

- The existing house was a combination trailer and addition and was not able to be rehabilitated. A new house was designed and built. The existing house and trailer were removed.
- A new septic system was installed.
- A new well was installed.
- The Owner participated in the house construction as a community match.
- Total Expenditures: $102,800.00

A new three bedroom house was built.

Photo of the New Three Bedroom Residence

Photo of Kitchen

IPR Project **Completed: November 2014**

Rehabilitated Residence
Staffordsville, Virginia
Giles County
Demographics: Female head of household, one child

Scope of Work Installed on Residence

- The existing house received minor rehabilitation to meet HUD Quality Standards. The bathroom and plumbing required major work. A new hvac system was installed.
- A new septic system was installed.
- Total Expenditures: $60,524.00

A four bedroom house was rehabilitated.

Photo of the Residence

Photo of Seeded New Septic Field

IPR Project **Completed: June 2015**

Rehabilitated Residence
Bassett, Virginia
Henry County
Demographics: Family of four, two children

Scope of Work Installed on Residence

- The existing house received minor rehabilitation to meet HUD Quality Standards.
- An existing septic system was repaired to eliminate effluent rising to the ground surface.
- A new shingle roof was installed. Air sealing was done at the exterior block walls. Electrical and plumbing repairs were completed.
- Total Expenditures: $36,681.00

A three bedroom house was rehabilitated.

Photo of the Residence

EQUAL HOUSING OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

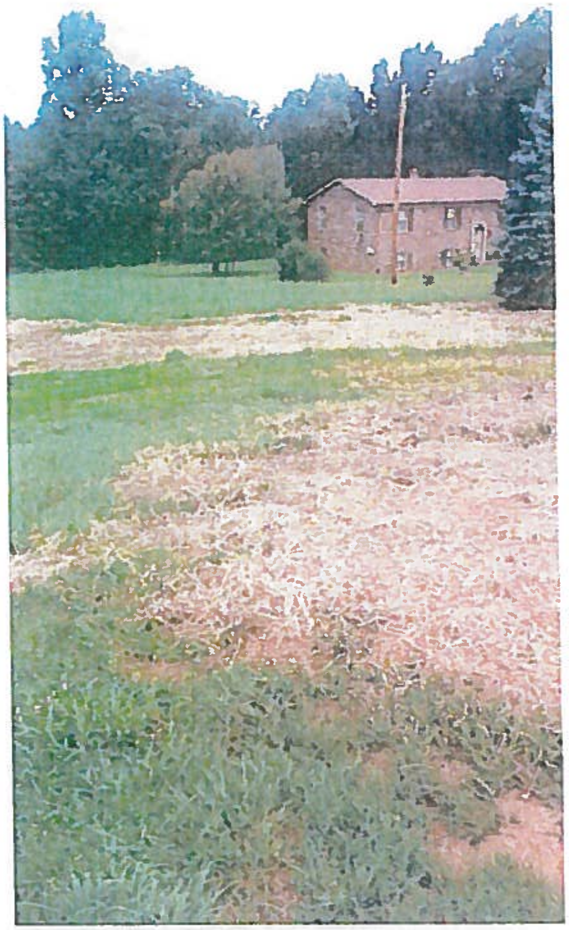


Photo of Seeded Septic Field

EQUAL HOUSING OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

IPR Project **Completed: September 2015**

New Residence
Pulaski, Virginia
Pulaski County
Demographics: Elderly woman, head of household, 2 occupants

Scope of Work Installed on Residence

- The existing house was not able to be rehabilitated. The existing house and outhouse were removed.
- A new 676 sf two bedroom house was designed and built.
- A new alternative septic system was installed.
- The new house was connected to the existing public water system.
- Total Expenditures: $108,670.00

A new two bedroom house was built.

Photo of the Existing House to be Demolished

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

Photo of New House

IPR Project **Completed: December 2014**

Rehabilitated Residence
Martinsville, Virginia
Henry County
Demographics: Female head of household, 3 occupants

Scope of Work Installed on Residence

- The existing house received minor rehabilitation to meet HUD Quality Standards. A heating system was installed, roof repaired, crawlspace repaired, kitchen floor repaired and bathroom repaired and made more accessible. Additional minor items were addressed.
- A new septic system was installed.
- Total Expenditures: $46,560.00

A two bedroom house was rehabilitated.

Photo of the Residence

EQUAL HOUSING OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

Photo of Seeded New Septic Field

IPR Project **Completed: September 2014**

New Residence
Goshen, Virginia
Rockbridge County
Demographics: Elderly female head of household

Scope of Work Installed on Residence

- The existing house was not able to be rehabilitated. The Owner lived in a travel trailer. The existing house and trailer were removed.
- A new 676 sf two bedroom house was designed and built.
- A new septic system was installed. Due to the lack of land the system was located on an abutter's property through an easement.
- The new house was connected to the existing well that had the pump replaced.
- Total Expenditures: $91,300.00

A new two bedroom house was built.

Photo of the Existing House to be Demolished

Photo of New House

EQUAL HOUSING OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

IPR Project **Projected Completion: October 2015**

New Residence
Natural Bridge Station, Virginia
Rockbridge County
Demographics: Elderly woman, head of household and son

Scope of Work Installed on Residence

- The existing house was not able to be rehabilitated. The building will be demolished.
- A new 768 sf two bedroom house was designed and built. The new house was elevated to remove it from the flood plane.
- A new septic system was installed to replace the failed system.
- The new house was connected to the existing well.
- Total Expenditures: $92,517.00

A new two bedroom house was built. Raised out of the flood plane.

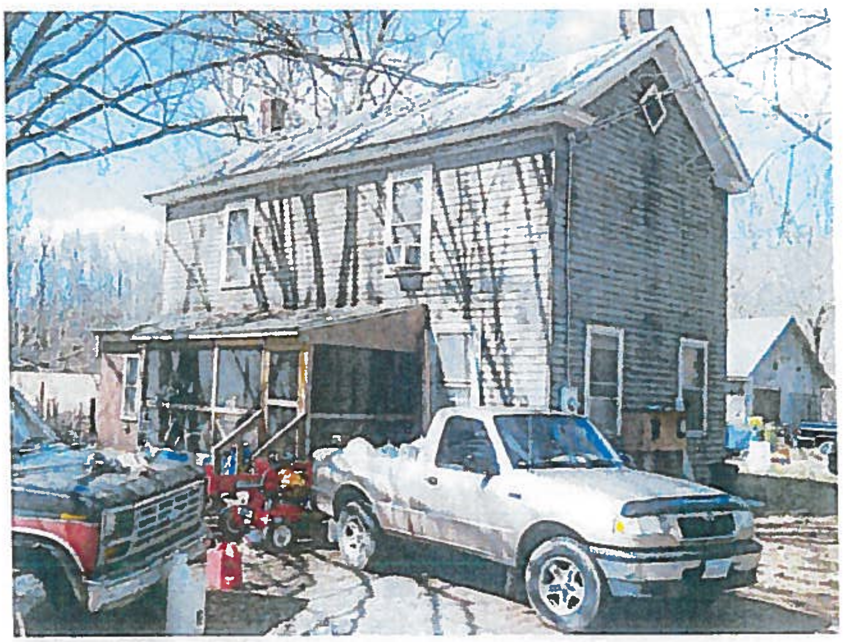


Photo of the Existing House to be Demolished

EQUAL HOUSING OPPORTUNITY

Address: 302 2nd St. SW., Roanoke, VA, 24011 **Phone:** 540-283-4879
Mailing Address: P.O. Box 2868, Roanoke, VA, 24001-2868

Photo of New House Near Completion

ECHR

An operating component of

tap into hope

Michael Thompson
TAP ECHR
IPR Regional Administrator
PO Box 2868
Roanoke, VA 24001-2868

Dear Applicant,

Thank you for your interest in the Indoor Plumbing Rehabilitation (IPR) program. The program is for homeowners who currently have no bathroom within the footprint of the home, has a failed or failing septic system, or has a bathroom but waste drops directly on the ground. The program comes in the form of a loan at 0% interest for ten years. The amount you would pay back is based on an ability to pay form. I have enclosed an example of the Ability to Pay form for you to look at. Please note this is just an example but it should give you some idea as to how much you would need to pay back to TAP should you qualify for the program.

Attached is an IPR application for you to complete and a list of needed documents.

If you have any questions please do not hesitate to contact me at 540-283-4897 or 540-977-8209.

Once you have completed the application and have the necessary documents, call me and I will schedule a time to visit your residence to conduct an inspection and give you some idea of what TAP would need to do to bring your home to Housing Quality Standards as set by HUD and DHCD.

Regards,

Michael Thompson

FRANKLIN COUNTY

Board of Supervisors

Franklin County
A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE: *Proposed 2016 Legislative Agenda Items*	**AGENDA DATE:** *November 17, 2015* **ITEM NUMBER:**
SUBJECT/PROPOSAL/REQUEST: *Legislation Agenda Items Request for the 2016 General Assembly Session*	**ACTION:** *YES* **INFORMATION:** X **CONSENT AGENDA:** **ACTION:** **INFORMATION:**
STAFF CONTACT(S): Messrs. Robertson, Whitlow, & Mrs. Tudor	**ATTACHMENTS:** *YES* **REVIEWED BY:** BR

BACKGROUND:

Attached is the adopted 2016 Virginia Association of Counties Legislative Program and Policy Statement which articulates the position of counties across the Commonwealth of Virginia. Rather than reiterate many of the positions contained within the VACo Legislative Program, staff is recommending that the Franklin County Board of Supervisors highlight a limited number of "bullet" issues which can then be discussed with our local legislators for support and possible bill introduction. During previous years, Franklin County has often adopted VACo's Legislative Platform and has sometimes highlighted a listing of those legislative issues most important and then presented such concerns to our area legislators. In addition to the VACo program, staff has included a copy of the Smith Mountain Lake Regional Chamber of Commerce Legislative Agenda and a draft copy of the West Piedmont Planning District Commission's Regional Legislative Platform.

DISCUSSION:

In reviewing the various legislative agenda platforms, please note the following highlighted items of interest:

- During last month's Board meeting, a resolution was adopted thereby requesting the Governor to adequately fund and resource the Virginia Department of Environmental Quality (DEQ) for oversight of the environmental aspects of the construction of the Mountain Valley Pipeline. Staff has worked with neighboring counties and VACo staff in VACo's legislative position to support the provision of adequate direction and resources for the Department of Environmental Quality (DEQ) to monitor and enforce compliance with Erosion and Sediment Control and Stormwater requirements by businesses constructing large-scale utility projects (such as gas pipelines) that cross jurisdictional borders.

- VACo commends the Governor and General Assembly for eliminating the "Local Aid to the Commonwealth" in the 2015 session of the General Assembly and opposes any reinstatement of this burden on local governments. Since 2009, local governments returned $190 million in funding for state mandates services through "Local Aid to the Commonwealth". VACo requests the state consider reimbursement to localities for these past reductions that occurred during difficult budget times for the state and localities.

- The Comprehensive Services Act (CSA) places significant budget costs and pressures on Virginia localities. As such, a request to eliminate the local Medicaid match on residential placements is warranted. At the present time, localities are required to pay a portion of the general fund share for Residential Treatment Center (Levels A/B and C) and Treatment Foster Care Case Management costs for CSA children on Medicaid. Such proposed budget language would eliminate the locality share of costs. It should also reduce the unintended consequence of localities and families bypassing the CSA - FAPT team process. This policy change also aligns with all other Medicaid funding policies which do not require localities to pay a portion of the general fund costs. In addition to the elimination of the local Medicaid match requirement, a request to increase local administrative funding is also needed. Currently the state allocates a mere $8,963 to administer Franklin County's local C.S.A. Program, whereby it actually costs the County $117,992 (net $109,029. 100% local expense). There has never been an increase in the funding that the state gives localities to administer the C.S.A. Program. Any increase in this area will be welcomed.

RECOMMENDATION:

Staff recommends that the Board forward the various 2016 Legislative Agendas to the County's General Assembly representation as presented, thereby sharing such highlights as noted in this summary, as well as others the Board may so choose.

Amendments to
Virginia Association of Counties' Preliminary 2016 Legislative Program

Process for Adoption of the VACo Legislative Program

The document before you is the result of a year-long process which includes the collection of ideas from numerous County and regional meetings, submittals by our member Counties and the hard work of the VACo legislative steering committees and resolutions committee. Steering committees members are appointed yearly by the VACo President from each VACo region. All proposals are channeled to one of the seven VACo steering committees who meet two to three times per year. These steering committees discuss the proposals thoroughly and develop a draft program to submit to the resolutions committee for review and approval. The resolutions committee is comprised of the VACo Executive Committee members and the chair and vice chair of each steering committee. After discussion in the resolutions committee the program is presented to the membership at the Annual meeting.

The procedure for adoption of the VACo 2016 Legislative Program is based on a motion recommending the resolutions committee report to the membership. After the motion, anyone wishing to speak to the report shall identify themselves by name and County they are representing. Each speaker is limited to 3 minutes. Following discussion, the program will be voted on by the representatives who have been qualified by the VACo credentials committee.

Economic Development & Planning (Pages 3-5)

<u>Page 3</u> under the priority statement "Enhanced Coordination between Workforce System and K12" strike the last sentence starting on line 75 with "VACo also supports the..."through line 77. Re-write the sentence with the language as follows:

<u>VACo also supports innovative models for schools to give academic credit for students that earn industry workforce skills through certifications, certificates or licensure from an approved education or training provider.</u>

Add the following position statements:

Disclosure of Underlying Zoning to Property Purchasers
VACo supports legislation that adds language to the Code of Virginia that notifies purchasers of residential property to exercise due diligence on the zoning classification or permitted uses of parcels adjacent to the subject parcel.

Local Authority to Promulgate Civil Penalties for all Types of Onsite Sewage Treatment Systems
VACo supports legislation that allows localities to promulgate a schedule of civil penalties for different types of sewage treatment systems.

Residential Property Disclosure Statement of Wastewater System
VACo supports legislation that adds language related to wastewater system (onsite sewage system) and conducting due diligence of costs to the residential property disclosure statement.

State Corporation Commission Public Hearings
VACo supports changes to the Code of Virginia to require a local public hearing, by request of a local governing body, for State Corporation Commission proceedings associated with approval of utility applications.

Education (Page 6)

Add the following position statements:

Charter schools
VACo opposes Senate Joint Resolution 256 that provides authority for the State Board of Education to establish charter schools.

School Resources Officers
VACo supports funding that would serve as an incentive for local school divisions to hire School Resource Officers (SROs) to assure the protection of Virginia's school children.

Environment and Agriculture (Pages 7-11)

Page 10 under "Stormwater programs." strike language between lines 329 and 333 and replace with the following paragraph:

"VACo strongly opposes any legislation by the 2016 General Assembly that would amend any or all components of the Stormwater Management Laws that don't fully satisfy the resource and funding needs of the Department of Environmental Quality (DEQ) to administer, enforce and maintain the Stormwater Management Laws. VACo further opposes any legislation that would be in conflict with HB 1173/SB 423 that passed the 2014 General Assembly and that would impose any additional mandates or financial burdens upon local governments."

Add the following position statements:

Large utility projects (pipelines)

VACo supports the provision of adequate direction and resources for the Department of Environmental Quality (DEQ) to improve monitoring and enforcement of Erosion and Sediment Control and Stormwater requirement by entities constructing large-scale utility projects. DEQ should conduct a review of the annual standards and specifications and construction general permit requirements for those projects to determine if they are providing adequate protection of water quality and natural resources.

Noxious weeds

VACo supports amendments to the definition of "noxious weeds" to enable a wider number of known invasive plants to be considered for regulation by the Virginia Department of Agriculture and Consumer Services (VDACS), with consideration of any commercial impacts to Virginia growers and retailers, so that sales and transport of designated invasive plants can be prohibited in a manner that helps protect parks and green spaces, with negligible impacts to Virginia's nursery industry.

General Government (Pages 14-17)

<u>Page 14</u> under "Broadband" (line 447): At the end of the paragraph add the following language:

<u>VACo calls upon the Commonwealth to develop a comprehensive state wide plan that identifies all the impediments that can be solved through local and state legislation and an estimate of the costs for overcoming these impediments.</u>

<u>Page 14</u> under "Broadband" (line 458): Strike all of the language on line 458 and rewrite the sentence as follows:

<u>A reporting requirement for all Internet service providers in Virginia to provide address level broadband access information to CIT bi-annually to correct the accuracy of the statewide broadband map which is currently deficient due to Federal Communications Commission standards which only require providers to report on broadband availability at the census block level resulting in an overstatement of coverage particularly in rural areas.</u>

<u>Page 16</u> under "Public Safety – Body Worn Cameras" (line 562): Strike all of the language between line 562-570 and rewrite the sentence as follows:

<u>VACo supports legislation to amend the Virginia Freedom of Information act to clarify that local law enforcement agencies have the authority to withhold from mandatory disclosure under FOIA those records, including body worn camera and dashcam video, that contain identifying information of a personal, medical or financial nature where the release of such information could jeopardize the safety or privacy of any person. VACo urges the state to take into account the large amount of data and costs of storage when establishing a retention period for these records.</u>

Add the following position statement:

<u>CyberSecurity</u>
<u>VACo supports state and federal efforts to mitigate the increasing cyber threats faced by both the private and public sector. VACo urges state and federal policymakers to assist local governments in cooperative, incentive based efforts to share information and best practices to meet these emerging challenges.</u>

Health & Human Resources (Pages 18-19)

Page 18, under "Comprehensive Services Act" (line 619) delete lines 619-624 and replace with:

Children's Services Act
VACo supports the development of policies by the State Executive Council that provide clear guidelines in its process of developing and adopting policy. These guidelines should include specific time frames for various stages in the process, expectations for public notice and public comments, and expectations for consideration of fiscal impact on local government.

Transportation (Pages 20-21)

Page 20, under "Local-State Transportation Funding and Cooperation" (line 680) after "made." insert the following language:

"VACo supports the continuation of the state's investment in infrastructure statewide."

Add the following position statement:

Railway Crossings
VACo supports efforts to safely improve mobility issues on roads that cross railway lines.

* * *

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VACo's Preliminary

2016 Legislative Program

October 2, 2015

2016 Draft Legislative Program
Virginia Association of Counties

Table of Contents

VACo's 2016 Overarching Legislative Priority Position

Increase Education Funding

To assure each child in Virginia a quality education necessary for their success, VACo calls upon the Governor and General Assembly to fully fund the Standards of Quality as recommended by the Board of Education and the Standards of Accreditation.

The provision of a quality education for all Virginia's children is the most important function of state and local government. When adjusted for inflation, state per pupil spending on public education is less than funding levels in FY 2005. With increased educational mandates, increased students and state policy changes that decreased education funding local school divisions have had to eliminate important academic programs, cut instructional and support staff, and increase class sizes, despite strong local efforts to improve efficiencies in public education. VACo looks forward to working with the Governor and General Assembly to address these serious challenges facing public education in our Commonwealth.

ECONOMIC DEVELOPMENT AND PLANNING

Priorities

Land Use/Growth Management Tools

VACo supports maintaining local authority to plan and regulate land use and opposes any legislation that weakens these key local responsibilities. VACo supports legislation that grants localities additional tools to adequately meet increasing needs for public services driven by new development without burdening current residents with the cost of new growth through increased real estate taxes. Such additional tools may include broad impact fee authority for all counties, adequate public facilities provisions in subdivision ordinances, state funds for the purchase of development rights, and real estate transfer charges.

Enhanced Coordination between Workforce System and K12

VACo supports a statewide effort to bring together localities and the key education, business and workforce development stakeholders to explore opportunities to make systemic changes that will increase the focus on career and technical education in K12 that meets the needs of local and regional economic development efforts. County officials desire to work in partnership with the state, the community college system and the business community to evaluate and implement policy changes that will lead to increased employment opportunities for the Commonwealth's students and an increased pool of talent with the necessary training for our Commonwealth's current and prospective businesses. This statewide effort should create better coordination of funding streams, incentives and cultural changes that will lead to an increase in the number students leaving the K12 system with workforce ready credentials. VACo also supports the consideration of requiring every high school student to graduate with the completion of one industry workforce skills certification or licensure.

Positions

Affordable and Workforce Housing

VACo supports maintaining federal and state funding and appropriate incentives to assist localities in fostering affordable housing, as well as workforce housing for employees such as teachers and first responders.

Agriculture and Forestry Industries Development Fund (AFID)

VACo supports full funding for the Agriculture and Forestry Industries Development Fund (AFID), which is a critical tool for attracting and retaining agriculture related businesses in Virginia.

Commonwealth Opportunity Fund and VEDP

VACo supports full funding of the Commonwealth Opportunity Fund, which is a critical tool for attracting and retaining businesses in Virginia. VACo also supports full operational funding for the Virginia Economic Development Partnership (VEDP), which will lead to robust project development, higher wage employment opportunities, a broadened tax base, partnership with local governments and increased governmental revenues.

Defense Funding

VACo supports maintaining federal Defense spending. Further cuts to military spending will impact our nation's security and negatively impact economic growth in counties throughout the Commonwealth of Virginia.

Economic Development

VACo supports continued federal and state funding and technical assistance for infrastructure investments and economic development programs as effective means for enhancing business development in the Commonwealth. VACo supports economic development policies that bolster local and regional development efforts.

Impacts of Federal and Military Facilities

VACo supports maintaining federal and state funding and technical assistance to mitigate the impacts on counties affected by federal budget cuts and to sustain current and future federal facilities in Virginia. VACo supports state and local partnerships to work to prevent encroachment and non-compatible land uses next to military instillations. VACo also supports workforce training and retraining for programs that support Defense activities in Virginia.

Maintain Public Sector Role in Onsite Sewer Program

VACo supports an onsite sewage program at the Virginia Department of Health (VDH) that protects public health and the environment in all regions of the Commonwealth. The Commonwealth should give special focus to addressing the challenge of failing septic systems. The state's program should allow localities to develop and implement policies that support the state's program. VACo supports the private sector providing onsite sewage system design, installation and repair services, as long as the services can be provided at affordable rates and in a timely manner, and as long as VDH continues to provide these direct services as well.

Natural Gas Pipelines

VACo supports federal and state efforts to ensure that counties are partners in the route selection process.

Regional Cooperation

VACo supports maintaining state funding and additional grants of authority to promote regional initiatives. VACo also supports state funding for Virginia's planning district commissions, which play a key role in addressing regional challenges.

Siting of Utilities

VACo supports requiring utilities to seek input from localities and property owners before any actions to construct, modify or enlarge their facilities.

Workforce Development

Counties support flexibility for workforce programs to meet the specific workforce challenges identified by the public and private sector at the local and regional level and continued funding for Virginia's workforce system. VACo supports state efforts to fund, encourage and facilitate local and regional efforts to convene and facilitate cooperation between the business community and other numerous stakeholders involved in Virginia's workforce investment system. VACo supports applying credit recognition and state incentives for both certification, training or qualified credentialing and credit course hours.

EDUCATION

Priority

Education Funding

VACo urges the General Assembly to provide full state funding for public education including the Standards of Quality (SOQ) as recommended by the Board of Education, targeted incentive programs, capital and maintenance support and teacher salaries. Full state funding should be achieved without reduction to other parts of state public education budgets or to the other core services. The state must recognize that in FY 2014 local school divisions spent $3.6 billion above required local effort.

VACo supports the current practice whereby all year-end funds appropriated to the school divisions by the locality revert to the locality, retaining discretion with the governing body to evaluate and approve the reallocation of year-end fund balances.

Positions

Composite Index Appeal process

VACo supports legislation that would establish an appeals process for local governments to challenge computation of the Local Composite Index.

Composite Index, Use Value

VACo supports legislation to adjust the calculation of the Local Composite Index for public school funding by directing the Department of Education to adjust its funding calculations for the local ability to pay by using the use-value assessment of real property, instead of the true value, in localities that have adopted use-value taxation.

Funding Support Personnel

In addition to meeting its obligations to fully fund instructional staff, the Commonwealth should meet its obligation to fully fund the support side of K-12. Since 2009, Virginia has implemented sizable structural budget cuts to K-12, particularly in the area of support, costing localities more than $1.7 billion per biennium statewide. VACo supports full restoration of these cuts, including: elimination of the funding cap on support positions; restoring the inflation factor for non-personal support costs; and full reinstatement of the Cost of Competing (COCA) for support staff. Adequate state funding for support staff and operations is critically important for the operation of any school system.

Library system

VACo supports maintaining the level of funding of financial aid to the library system at levels budgeted for FY 16 and FY 17.

ENVIRONMENT AND AGRICULTURE

Priority

Water Quality Improvement Funding

VACo supports effective partnerships among and across all levels of government to improve water quality.

VACo urges state and federal agencies to consider impacts on local governments of any initiatives intended to reduce loadings of pollutants into state waters from both point and non-point sources. In order for comprehensive, watershed-wide water quality improvement strategies to be effective, major and reliable forms of financial and technical assistance from federal and state governments will be necessary. VACo supports the goal of improved water quality, but will oppose provisions of any strategy that penalizes local governments by withdrawing current forms of financial assistance or imposing monitoring, management or similar requirements on localities without providing sufficient resources to accomplish those processes. VACo opposes the imposition of a state fee, tax or surcharge on water, sewer, solid waste or any service provided by a local government or authority.

Positions

Agriculture Production

VACo supports increased availability of local food for purchase. To accomplish this, VACo supports the establishment of farmers' markets and the supplemental nutritional assistance program (SNAP) for purchases at farmers' markets, policies to increase direct delivery of food from growers to consumers and funding for the design and construction of regional processing facilities to facilitate delivery of locally-produced food.

Aquifer protection

VACo supports initiatives by the state to assure adoption of actions to reduce high chloride concentrations and loss of artesian head pressure in Virginia's aquifers. VACo also requests that the Commonwealth conduct a review of regulations, and promote education to promote reclamation of water on a local level for industrial and irrigation uses to offset future demands on all ground and surface water used for human consumption in the Commonwealth.

Biosolids

VACo contends that the land application of biosolids, when conducted properly, provides important benefits to the public and Virginia's agricultural sector. To reduce risks that might occur because of improper land application, VACo supports an effective statewide program and regulations governing land application of biosolids that protect the environment, public health and safety. VACo also supports the ability of local governments to monitor compliance with such regulations. To address concerns of neighboring property owners, VACo supports the ability of local governments to suggest amendments to biosolids permits as they are being considered by the Department of Environmental Quality.

Dam safety
VACo supports dam safety regulations that do not impose unreasonable costs on dam owners whose structures meet current safety standards. VACo encourages DCR to institute reasonable calculations of probable maximum precipitation rainfall amounts that accurately identify at-risk structures and facilitate the most efficient targeting of scarce resources to the most needy structures. VACo supports programs that keep downstream owners and developers aware of potential inundation zones. VACo also supports sufficient state and federal funding for the repair and maintenance of dams.

Energy Efficiency
VACo endorses initiatives among all levels of government to reduce dependence upon foreign sources of energy, to reduce emissions of greenhouse gases and to improve energy efficiency. VACo supports production of renewable energy in Virginia through the implementation of Renewable Portfolio Standards. VACo also supports responsible policies that enable coal and natural gas extraction, processing and transport while protecting agriculture and water resources.

Hydraulic fracturing
Advances in technology for the extraction of natural gas known as "hydraulic fracturing" has the potential to tap vast reserves in what are known as the Marcellus shale and Taylorsville Basin deposits. Concerns about how the process of hydraulic fracturing could impact both public and private groundwater supplies have been raised both regionally and nationally. VACo supports a state regulatory program that addresses these concerns while protecting the authority of local governments to regulate and/or ban this type of mining activity through their land use ordinances. Specifically, VACo supports a regulatory program with the following components:

- A requirement for permit applicants to provide certification to the Department of Mines, Minerals and Energy that the activity and associated activities are consistent with applicable local ordinances;
- Authority for local governments to require documentation that all state requirements are met as a condition for local approval;
- Requirements for operators of hydraulic fracturing operations to demonstrate adequate financial assurance to ensure the availability of adequate resources to correct any damages that could result from drilling operations;
- Through a portion of permit fee revenues, establish a state fund to defray local costs that would be associated with the training of first responders as preparation for emergencies stemming from fracturing activities; and

- To assure continuity in protection of health and natural resources, that provisions in the Memorandum of Agreement between DMME and DEQ of August 12, 2014 be strengthened and perpetually institutionalized by statute or regulation.

Invasive Species

VACo supports adequate funding to implement the Virginia Invasive Species Management Plan. The Plan identifies strategies to prevent and control damage caused by invasive species.

Land Conservation

VACo supports targeted initiatives to facilitate the protection of land for conservation purposes. VACo also supports a Purchase of Development Rights program that includes state funding for the Virginia Land Conservation Foundation, and that provides incentives for landowners at all income levels to participate in the program. Such programs preserve prime soils for food production and protect important forestal land and environmentally sensitive areas in the Commonwealth.

Local Regulation of Timbering

VACo supports legislation to clarify that, once a subdivision plan is submitted for local approval at the request of the property owner for a development project, any timbering on the property is subject to such local requirements as erosion and sediment control ordinances, stormwater management controls and other regulations pertaining to development.

Non-point Source Pollution

VACo supports a well-financed state program to address the problem of non-point source runoff from agricultural operations. The program should effectively encourage implementation of priority best management practices such as nutrient management planning, use of cover crops, continuous no-till farming and development of forested riparian buffers and livestock stream exclusion.

Onsite Wastewater Systems

VACo supports legislation ensuring that potential buyers of real property are told about the type, size and maintenance requirements and associated costs of the wastewater systems on the property prior to the signing of the initial sales contract and the recordation of engineered systems plat and deed at the time of sale.

Recycling

VACo supports the development of additional efforts by the state to develop markets for recycled materials.

Southern Rivers Watershed

VACo supports continued funding for the Southern Rivers Watershed Enhancement Program to improve water quality in non-Chesapeake Bay watersheds.

Stormwater programs
VACo supports adequate funding to enable local governments to meet ongoing costs associated with local stormwater management programs that became effective on July 1, 2014. VACo believes it will be critical to evaluate the effectiveness of the fee structure in the Virginia Stormwater Management Permit regulations as the chief source of revenue for funding local stormwater management programs.

Any legislation considered by the General Assembly to amend Virginia's Stormwater Management Law during the 2016 session must be fully consistent with the "opt-in/opt-out" provisions of the legislation (HB 1173, Hodges/SB 423, Hanger) that passed the General Assembly in 2014. VACo opposes any legislation to amend Virginia's Stormwater Management Law that will result in the imposition of any additional mandates or financial burdens upon local governments.

VACo also supports legislation to:

- Amend Section 62.1-44.15:48 of the Code of Virginia to remove the requirement that proceeds from penalties must be used only for purposes mandated under that section of the Code.
- Remove the requirement from the Construction General Permit that permittees must comply with Virginia's post construction standards for water quality.
- Amend Section 62.1-44.15:28 of the Code of Virginia to give localities the ability to waive the state's portion of the VSMP fees if a locality waiver policy has been implemented by a locality and approved by the Board. VACo also requests a new locality/state workload analysis to justify the state's portion from the stormwater permit fee. The new analysis should address long-term responsibilities placed on localities that previous studies ignored.
- Amend Virginia's Stormwater Management Law that would distribute a maximum of 10 percent of statewide stormwater fees revenue to the Virginia Stormwater Management Fund with the remaining 90 percent remaining with local governments.
- Amend Section 62.1-44.15:33 of the Code of Virginia to mandate that the State Water Control Board consider long-term maintenance costs of a Best Management practice when approving a local stormwater program.

Uranium Mining
VACo supports continuation of a moratorium on uranium mining and milling within the Commonwealth of Virginia.

Virginia Cooperative Extension
VACo supports sufficient funding for the Virginia Cooperative Extension Service.

Virginia Outdoors Foundation

VACo supports legislation that would increase funding for the Virginia Outdoors Foundation through transfer fees and other dedicated sources of revenue.

Water Supply Planning

VACo supports appropriations adequate to ensure full funding by the state for the ongoing development and implementation of state-mandated water supply plans.

FINANCE

Priority

Local Finances

VACo supports the authority of county governments to levy and collect revenue from local business taxes. VACo requests county government representation on all study or legislative commissions that impact local government revenues or services. VACo opposes mandated new or expanded funding requirements on counties.

Positions

County Authority Including Equal Taxation

VACo supports granting counties equal taxing authority enjoyed by cities and towns to enact local excise taxes without referendum.

Eliminate the State capture of local fines and forfeitures

VACo requests the repeal of budget language authorizing the capture of local fines and forfeitures to the state treasury. The money to be seized in FY 2016 is not budgeted for any purpose in the Appropriation Act. This legislative action removed a source of local revenue for many localities.

Fiscal Impact Statements

VACo supports changes to the rules of the House and Senate that would require proposed legislation that may have a fiscal impact on localities to be introduced no later than the first day of session.

Funding for State Mandated Positions and Jails

VACo urges the Commonwealth to meet its full funding obligations for constitutional officers and state mandated positions. VACo further requests that the state budget increase jail per diems in the FY 2015-2018 biennial budget to 2010 levels. Additionally, VACo requests the state reinstate the definition of state-responsible inmates to felons with sentences of one year or more, fully fund its share of per diem payments in the introduced budget, and pay the medical costs of inmates using a cost-effective program jointly funded at the federal and state levels.

Line of Duty

VACo calls on the General Assembly to fully fund the Line of Duty Act (LODA) obligations and return LODA to a state program. In absence of this action, the state should adopt the recommendations proposed by JLARC to improve the administration of the act in order to ensure the long-term fiscal stability of the program.

Reimbursement for Prior "Local Aid to the Commonwealth"

VACo commends the Governor and General Assembly for eliminating the "Local Aid to the Commonwealth" in the 2015 session of the General Assembly and opposes any reinstatement of this burden on local governments. Since 2009, local governments returned $190 million in funding for state mandates services through "Local Aid to the Commonwealth". VACo requests the state consider reimbursement to localities for these past reductions that occurred during difficult budget times for the state and localities.

General Government

Priority

Broadband

VACo urges the Commonwealth and the Federal Government to assist communities in their efforts to deploy universal affordable access to broadband for all areas, particularly in underserved and rural areas while preserving local land use, permitting, fees and other local authority. Widespread deployment of broadband should be a top priority for the Commonwealth to ensure competitive economic advantages, improve public safety, provide quality educational opportunities and facilitate telemedicine and other modern health care initiatives.

VACo supports the following key policies that support local broadband efforts:

- Increased support for planning and implementation grants to localities with priority given to open access networks through initiatives such as the Department of Housing and Community Development's Virginia Telecommunication Planning Initiative.
- State support of local and regional authorities created under the Virginia Wireless Service Authorities Act and the preservation of powers granted under the act.
- Support for the Virginia Resources Authority and other favorable financing mechanisms for broadband projects.
- Focus on correcting the accuracy and availability of statewide broadband maps.
- Continued state support for the broadband technical assistance support and research provided to localities and providers by the Center for Innovative Technology.
- Support linking broadband efforts for education and public safety to private sector efforts to serve businesses and residences.
- A focus on regulation to allow the provisioning of broadband services on utility poles that were approved by the SCC and the locality.
- A focus on requiring VDOT to provide right-of-way easements for the provisioning of broadband and access to underutilized dark fiber.
- A focus on requiring broadband to be accessible to every household in the state of Virginia through shared easements with utilities with local approval.

Positions

Annexation Moratorium

VACo supports full funding of the Commonwealth's HB 599 commitments. VACo also supports the continuation of the current moratorium on city annexations regardless of whether those commitments have been met. The moratorium has promoted more intergovernmental cooperation between cities and counties, allowed counties to plan for future growth and economic development within their borders and has allowed counties to be able to protect their tax base in order to provide needed services to citizens.

Collective Bargaining for Public Employees

VACo opposes any effort to mandate collective bargaining for public employees.

Dillon Rule/Local Authority

VACo supports relaxation of the Dillon Rule by granting and maintaining local authority and autonomy including land use matters, revenue measures, procurement and other issues of local concern. The General Assembly should extend powers currently granted to some local governments to all other local governments.

Election Costs and Districts

VACo supports legislation that would decrease the costs of elections to localities. These costs include primaries, voting equipment, personnel and voting places. Cost reduction solutions include requiring parties to pay for primary elections, having one date for primary elections, using paper ballots, establishing countywide voting places and other similar measures. The state should provide adequate funding to localities for optical scan and other voting equipment and registrar costs. VACo also supports legislation to minimize or eliminate Split Voting Precincts.

Ethics Reform

The Virginia Association of Counties supports common sense efforts to strengthen Virginia's public ethics and conflicts of interest laws. VACo also supports efforts to make sure current and future changes to these laws are applicable and practical at the local level.

Freedom of Information Act (FOIA)

VACo opposes changes to the Virginia Freedom of Information Act that would impose additional burdens on localities.

Grievance Hearings

VACo supports legislation authorizing localities to utilize an administrative hearing officer instead of a three-member panel. VACo also supports providing immunity to local government employees, officers, volunteers, administrative hearing officers and panel members for claims arising out of participation in personnel grievance procedures.

Immigration Reform

VACo maintains a strong commitment to ensuring the security and safety of our communities. Legislative reforms must recognize the contributions of immigrants to a complex economy, as well as the costs associated with welcoming immigrants into our communities. The U.S. Congress must enact comprehensive immigration reform that provides a funding stream sufficient to address the fiscal impact on state and local governments for any guest worker program and earned legalization program. The state and local governments require a national immigration system that is fully funded at the federal level, recognizes the realities of the marketplace, eases the fiscal stress on states and localities and properly secures our borders. It is important that the federal government establish a clear and understandable path to citizenship for those who are eligible.

Interoperability

VACo supports the state's goal that agencies and their representatives at the local, regional, state and federal levels will be able to communicate using compatible systems to respond more effectively during day-to-day operations and major emergencies. Local governments require dedicated federal and state funding sources to achieve this goal.

Pay Day Lending

VACo supports legislation to set a total cap of 25 percent for all interest, fees and other charges for payday lending and other similar businesses such as car title loans.

Population Statistics

VACo requests that the Commonwealth use the most current population statistics available for the purposes of determining state aid to those localities that have experienced population growth in the 10-year period between the decennial enumerations. During that period, population statistics from the Weldon Cooper Center for Public Service, the American Community Survey and from other established entities should be used by the Commonwealth. The General Assembly should consider the many fixed costs of services in determining aid to those localities that have remained stable or lost population.

Public Notice, Public Hearing and Public Procurement

VACo supports legislation to reduce required advertising for public notices, public hearings and public procurement including legislation to give localities the option to use electronic or other forms of notification as an alternative to newspaper advertising.

Public Safety – Body Worn Cameras

VACo supports maintaining the ability for local governments to adopt policies regarding body worn cameras that reflect local needs and fiscal realities. Localities should be able to decide: whether to buy body cameras for law enforcement; on the policies for the use of the cameras; how long to retain video; and the rules for when the public may have access (within the overarching rules of the Freedom of Information Act). The Virginia Department of Criminal Justice Services should work to develop model policies for body worn cameras.

VACo supports legislation to amend the Freedom of Information Act, as necessary, to assure that law enforcement agencies are not required to release video and audio recorded by body worn cameras that would disclose the identities and personal information of private citizens and to assure that agencies do not incur burdensome costs in responding to requests. VACo also supports exempting the data captured by body worn cameras from the Records Retention Schedule of the Library of Virginia. Given the large amount of digital data being captured by these cameras and the costs of storage, law enforcement agencies should not be required to retain this data unless it serves a law enforcement, internal affairs investigation or training purpose.

Sovereign Immunity

VACo opposes any substantive change in local governments' present defense of sovereign immunity. VACo opposes bringing counties under the Virginia Tort Claims Act.

State Assistance for Police Departments

VACo supports increasing state assistance for police departments through "599" Aid to Localities. This funding is designed to equalize state funding between counties in which the sheriff department provides law enforcement and those cities, counties and towns with a police department.

Unfunded Mandates

VACo opposes unfunded mandates and shifting of fiscal responsibility from the state to localities for existing programs by the Commonwealth. When funding for a mandated program is altered, the mandate should be suspended until full funding is restored. When legislation with a cost to localities is passed by the General Assembly, the cost should be borne by the Commonwealth, and the legislation should contain a sunset clause providing that the mandate is not binding on localities until funding by the Commonwealth is provided.

Workers' Compensation Medical Costs

VACo supports the adoption of Medicare-based fee schedules for setting medical provider fees in worker's compensation cases in Virginia, instead of the prevailing community rate standard now used.

Health & Human Resources

Priority

Health and Human Resources Funding

VACo supports transparent state policies and funding to ensure the Commonwealth's at-risk families have access to high quality and appropriate services. The Commonwealth should fully fund localities for state mandated human services and provide the necessary program flexibility to enable localities to provide comprehensive and case-tailored services.

Positions

Aging/Long-Term Care

VACo supports efforts that allow the elderly to remain at home in a safe and secure environment. VACo urges the General Assembly to provide sufficient funding for companion services, in-home services and home delivered meals.

Behavioral Health Care

VACo supports continued funding by the Commonwealth sufficient to allow community services boards to meet adequately the charge of providing services through a community-based system of care.

Comprehensive Services Act

VACo supports a requirement that the State Executive Council and Comprehensive Services Act follow the Administrative Process Act in promulgating, amending, or repealing regulations. Furthermore, VACo supports state CSA policies that prevent the shift of costs of services for at-risk children fully to local government CPMT-approved services.

VACo supports reasonable efforts by the state to give localities an opportunity to improve practice following audit findings, and that denial of funds be implemented in a rational, progressive fashion similar to that proposed by IV-E funding and other state and federal funding sources.

Early Intervention

VACo supports sustainable funding for Part C Early Intervention, which is an entitlement program that provides services for Virginia's infants and toddlers. VACo also requests the General Assembly address funding concerns by increasing state general funding. Underfunding this entitlement program puts pressure on local revenues to fill funding gaps for this mandated service.

Group Homes

VACo supports the ability of a locality to hold a public meeting when a group home is established in the locality's jurisdiction. Further, VACo encourages the state to enforce appropriate regulation of group homes.

Healthcare

VACo supports continued state funding for offered dental care, school nurses and preventive services and maternal and child health programs through local health departments and local school systems. VACo encourages the state to prepare for emergency health services access to care and develop and fund incentives that would alleviate the nursing shortages felt in many communities.

Local EMS Involvement

VACo supports increased local involvement in state EMS planning to ensure statewide needs are met.

Prevention Services

VACo supports increased state general funding for startup costs associated with community-based service programs. VACo recognizes that programs, such as Healthy Families, Comprehensive Health Investment Project (CHIP) of Virginia, Smart Beginnings, and the Resource Mother, as important models and requests the General Assembly provide additional funding for these home-based activities. Reductions in prevention programs will put numerous youth at risk of high-end CSA placements.

Telehealth

VACo supports the use of electronic information and telecommunications technologies to support long-distance clinical health care, patient and professional health-related education, public health and health administration.

Transportation

Priorities

Devolution of Secondary Roads
VACo opposes legislative or administrative initiatives that would transfer to counties the responsibility for the construction, maintenance or operation of new and existing roads.

Local-State Transportation Funding and Cooperation
VACo believes it is important to closely monitor the implementation of HB 2 and HB 1887 and determine whether process improvements need to be made. While HB 1887 provided some additional funding for transit services, VACo supports the full funding of transit systems by the state to meet critical transit needs. VACo is also concerned about the condition of secondary roads throughout the Commonwealth, is appreciative of funding in the Six Year Improvement Plan to meet some of these needs, and supports additional funding for these efforts.

Additionally, VACo is concerned that the 2012 transportation bill provides VDOT and the CTB the ability to decide whether a local transportation plan is consistent with the Commonwealth's priorities. VACo wants to ensure that land use planning remains a local responsibility.

Revenue Sharing
VACo is concerned about plans to significantly reduce funding for the Revenue Sharing program over the next six years. Reducing funding for the program will discourage local governments from seeking non-VDOT sources of revenue to meet their transportation needs.

Positions

Billboards
VACo supports a requirement that proposed billboards in the Virginia Department of Transportation's (VDOT) right of way conform to local zoning and other applicable ordinances and local approval processes.

Corridors of Statewide Significance
VACo opposes the reduction of local control that is associated with the Commonwealth Transportation Board's process of designating Corridors of Statewide Significance.

Highway Tolls
VACo opposes the installation of toll facilities on Virginia's interstate highways until the Commonwealth Transportation Board has thoroughly reviewed and assessed the components of a long-term capital improvement program, has identified and compared all

available funding alternatives and has adopted a proposal that matches capital improvements with realistically available funding sources.

Inter-Directional Signage Program

VACo supports a requirement that any signs installed under VDOT's Inter-directional Sign Program, including the Tourist Oriented Directional Signs Program, conform to local ordinances, including any local approval processes.

Maintenance Priorities

VACo supports a requirement imposed upon VDOT to implement a notification plan with the local governing body to establish maintenance priorities.

Parking

VACo supports general authority for counties to adopt ordinances regulating, including prohibiting, the parking of boats, RVs, utility trailers, campers, etc. on subdivision streets.

Rail Enhancement Fund

VACo supports authority for counties to approve Rail Enhancement Fund projects funded by the state and constructed within their jurisdictions.

Road Construction and Maintenance

VACo supports legislation that would prohibit VDOT from requiring localities to administer any transportation project without the consent of the local governing body.

Transportation Network Companies

VACo supports state regulation of transportation network companies as needed to ensure proper safety, liability, cleanliness, insurance coverage, local revenue, consideration of access for disabled riders, and equitable service in communities. VACo also supports the option of continued regulation of taxi companies at the local level.

Truck Size and Weight

VACo strongly opposes any legislation that seeks to increase truck size or weight beyond the current federal standards, thereby stressing the capacity of the Commonwealth's road systems and putting highways, roads and bridges at risk of increased damage or deterioration.

Use of Transportation Tax Revenue

VACo opposes taking any HB2313 transportation tax revenues for the use of non-transportation purposes.

Franklin County

COUNTY OF PATRICK

Martinsville
A CITY WITHOUT LIMITS

PDC 12

DRAFT

2016 REGIONAL LEGISLATIVE PLATFORM

Presented by the Counties of Franklin, Henry, Patrick, and Pittsylvania; the Cities of Danville and Martinsville; and the Town of Rocky Mount

Recognizing that the General Assembly meets soon, the Board of Commissioners has asked me to present the following list of legislative items supported by our region's cities and counties. We have reduced the list to those issues deemed most critical across the region with particular focus on the current and future funding reductions to localities and the implications.

Local governments clearly understand the economic condition of the Commonwealth, but they also know that money for local and regional initiatives continues to be in short supply as funding cuts are again being proposed. These cuts, along with continued revenue generation restrictions, are creating an economic climate wherein communities will not be able to absorb continued reductions in funding, and have lost all budgetary flexibility.

TAXING, FUNDING, and MANDATES

Major sources of local revenue, such as property and sales tax, have been hit just as hard in recent years as State revenues. However, with local governments' responsibility for delivering education, public safety, and health and welfare services, localities are continuing to be faced with the question of whether to raise local property taxes.

Maintenance of Taxing Authority

The local governments of the region oppose any legislation intended to restrict local taxing authority and revenues, including Business/ Professional /Occupational Licenses (BPOL) Tax. Restrictions such as these will result largely in increases in taxes on local citizens and/or businesses. Since local governments are directly accountable for the taxes they impose, the taxing authority of local governing bodies should not be restricted or controlled by the

State. Local governments bear a disproportionate share of costs for many programs as the State increasingly shifts costs to local governments. Limiting the taxation powers of local governments will significantly reduce their capacity to perform necessary and vital services and functions. The BPOL Tax should be preserved until secure replacements are authorized and established.

As the existing local tax structure is overly dependent upon general property taxes, specifically real estate taxes, the state should strive to fully fund programs that strengthen local governments' commercial and industrial tax bases to reduce pressure on the real estate tax base.

Any state-imposed changes on local tax structure should be simple to administer and, at a minimum, be revenue neutral.

Dillon Rule
The local governments of the region support relaxation of the Dillon Rule by granting and maintaining local authority and autonomy including land use matters, revenue measures, procurement and other issues of local concern. The General Assembly should extend powers currently granted to some local governments to all other local governments.

State Mandates
Unfunded and inadequately funded state mandates and commitments strain local government budgets and place additional pressures on the real estate tax. State-initiated services and programs should be supported by state funds, not rely on local funds to supplant state dollars.

State mandates must be reduced when funding is reduced so that localities are not required to spend additional local dollars to comply with the mandates. Further, funds should be distributed in the most efficient way possible with the least regulatory control.

Comprehensive Services Act
The local governments in the region support additional State funding of the current structure under the Comprehensive Services Act, which ensures that the proper services are selected for each child, to be provided by properly licensed providers, and at reasonable costs to the public. Additionally, they oppose any changes to the CSA program that would shift costs from the State back to local governments. Localities must have the flexibility to use State funding for direct and indirect costs associated with growing caseloads of children already eligible for services and for the newly defined categories of children.

The State share has not been increased in more than a decade, while the administrative burdens on local governments have increased in data collection and reporting requirements. The Commonwealth has increased mandatory local participation percentages for the provision of services funded through the Comprehensive Services Act.

Line of Duty Act
After decades of State funding for the Line of Duty Act, local taxpayers are now required to pick up a significant portion of the death benefits given to families of police officers and firefighters, as well as the health benefits to those who are injured or disabled. This Act represents the most direct unfunded mandate from the State. We certainly support the idea of providing the benefits to our first responders, but this unfunded mandate comes at a time when local governments continue to struggle to perform their necessary services and functions. We strongly urge the General Assembly to explore ways to have the Line of Duty Act benefits paid fully from state funds.

Constitutional Officers

While the State funding support varies amongst the mandated constitutional officers, this funding support continues to decline, requiring local governments to choose between covering the entire cost of the State cuts, sharing them with the constitutional officers, or placing the entire financial burden on the officers. Localities across the Commonwealth are faced with critical decisions that affect the general public, such as whether they need to close their offices to the public one day a week to catch up on the workload, keep vacant positions unfilled, or even layoff employees; however, many constitutional offices are already understaffed. Localities in our region urge the State to fully fund its obligation for mandated constitutional officers.

Education

A significant portion of the State's funding to local aid programs is set aside for K-12 public education. The general fund aid to public education has continued to decrease. Local governments are shouldering an even greater share of public education funding, which has resulted in the school systems trying to do more with less: less staff, larger classroom sizes, less equipment, and aging facilities.

Virginia has several educational regulations that exceed federal requirements, which has resulted in additional costs to the State and local governments. We urge the State to eliminate State educational mandates that exceed federal requirements.

Marketing our region for new industries and expansions of existing businesses involves marketing our people and their skills, training and education, but there are deficits that need remedies. We support increased State funding for not only the public education system, but for adult education initiatives, customized workforce development training programs, and for new mechanisms for financing school construction projects.

Regional Water Supply Plan Update

2016 will mark the five year anniversary and state required update of many regional water supply plans in the Commonwealth of Virginia. The previous plans adopted in 2011 received significant state funding from the Virginia Department of Environmental Quality to support the development of these plans. At this time no new funding has been made available for this purpose. Absent the allocation of new funds, the localities of the WPPDC will be required to provide funding to meet the state mandate of updating of its regional water supply plan. The WPPDC and its member localities urge the General Assembly to provide funding necessary to support the update of regional water supply plans in the Commonwealth.

ECONOMIC DEVELOPMENT

Considering the region's economic situation, there are still needs for industry and business parks, infrastructure, and marketing assistance. We encourage the State to develop new economic development tools that will allow rural localities and the Commonwealth to be more competitive with neighboring states, with special emphasis on incentives for communities heavily impacted by NAFTA and CAFTA; distressed areas such as West Piedmont, Southside, and Southwest Virginia should be targeted.

Virginia should also look at ways to make its existing economic development programs more attractive. These are important economic tools, particularly in a challenging economy. We encourage the size of the Governor's Opportunity Fund to be increased and target Southside and Southwest Virginia due to the high unemployment rates in these areas. The Enterprise Zone Program funding for job creation and real property investment grants should increase to meet the full commitments made under this program.

TRANSPORTATION

The local governments in the region recognize that transportation funds are constrained given today's economy and that there are numerous worthy projects that need to be undertaken across the Commonwealth. However, they continue to be concerned about the lack of additional resources being allocated for transportation, specifically for new construction. The addition of transportation funding to create a modern transportation system in our region will significantly aid in economic development efforts, in a region with some of the highest levels of unemployment in the state.

We ask that current discussions continue on how to sustain long-term investment in transportation infrastructure and programs, and that all funding options be explored. While local governments also have a role in transportation, transfers of responsibility should not occur without additional funding.

Local governments should have authority to modify standards for street pavement and right-of-way widths that are beneficial to good planning, public safety, and the well-being of the residents without diminishing State funding for street maintenance payments.

The State should provide sufficient funding for highway construction and maintenance, public transportation infrastructure and maintenance, ports, airports, and freight and passenger rail to promote economic development and public safety.

WORKFORCE INVESTMENT BOARD COMPOSITION

The Workforce Investment Act of 1998 designates that local elected officials appoint members of local workforce investment boards in accordance with criteria established by the Governor. The Act further outlines the formal composition of workforce investment boards to include representatives of education providers, labor organizations, community-based organizations (including those representing disabled veterans), economic development agencies, and each of the "One-Stop" partners. It may include other representatives determined appropriated by local elected officials, but the board must have a majority of business representatives.

We ask for support in adding staff of the local planning district commission to the list of those agencies which must be represented on the local workforce investment boards, as they serve many of the same constituents and are positioned to assist, from a community and policy standpoint, in helping the workforce investment boards in meeting the needs of businesses and the needs of job seekers.

WORKFORCE DEVELOPMENT

Certified Work Ready Community

Regional employers have shared with local governments that they want the ability to measure the core foundational work-related skills of their current and potential employees, such as: reading comprehension, applied math and locating information. Additionally, they want to measure work discipline, teamwork, customer service and managerial potential. A vehicle to measure these work-related skills is ACT's National Career Readiness Certificate (NCRC) and a way to promote these NCRC credentials is for the region to earn the designation, Certified Work Ready Community (CWRC).

While educational attainment is important, the ability to 1) quantify these foundational skills with the NCRC has been deemed as highly useful by regional employers in today's competitive business environment and 2) earn the designation as CWRC has engaged employers and economic developers and changed the workforce development conversation.

Therefore, the West Piedmont Planning District Board of Commissioners support the Commonwealth's pilot initiative to position Southern Virginia, which represents Danville and Martinsville and the counties of Halifax, Henry, Patrick and Pittsylvania, to earn the designation as a CWRC by primarily reaching two milestones:

- 2,311 emerging, transitioning and current workers earning the NCRC
- 287 employers signing-on in support of the NCRC and the region's effort to become a Certified Work Ready Community

Furthermore, when successful, the Board of Commissioners will support taking this CWRC designation statewide.

Industry Sectors Approach

While there are many workforce development strategies in the Commonwealth to connect jobseekers with economic opportunities, local governments of the WPPDC support a concerted effort for the Virginia Workforce Council, in partnership with the Virginia Economic Development Partnership, to increase the capacity of regions to use the industry sectors approach to examine and address specific industries' needs. The sector-based approach brings together employers of the same industry to address common issues, which is proven to be a key to industry survival and growth. When multiple employers of the same industry are brought together, such as in Southern Virginia, it is advanced manufacturing, healthcare, energy and informational technology, common challenges and opportunities are addressed, specifically in areas of workforce development. Industry input leads to the development of education and training programs producing prospective employees and advancement opportunities in the workplace with skills that match industry needs, which will help significantly to advance the state's career pathways initiative.

The Southern Virginia Certified Work Ready Community (CWRC) initiative is a direct result of the region's using the industry sector approach.

ENVIRONMENT

Stormwater Regulations and Fees

The West Piedmont Planning District Commission supports the removal of the requirement from the Construction General Permit that permittees must comply with Virginia's post-construction standards for water quality. Further, the local governments of the West Piedmont Planning District support an amendment to Virginia's Stormwater Management Law that would distribute a maximum of 10 percent of statewide stormwater fees revenue to the Virginia Stormwater Management Fund, with local governments retaining the remaining 90 percent.

Additionally, we support an amendment to Virginia's Stormwater Management Program (VSMP) that would authorize a local government to fund its VSMP program through such sources deemed appropriate by the local governing body without approval by the State Water Control Board.

BROADBAND

The West Piedmont Planning District Commission advocates assistance to communities in their efforts to deploy universal affordable access to broadband for all areas, particularly in rural and underserved areas, while preserving local land use, permitting, fees, and other local authority. This would ensure competitive economic benefits, improve public safety, allow for quality educational opportunities, and assist in telemedicine and other modern health care initiatives.

In addition, we urge State support of local and regional authorities created under the Virginia Wireless Service Authorities Act, preservation of powers granted under the Act, support for Virginia Resources Authority, and other favorable financing mechanisms for broadband projects. Assistance should include economic incentives, along with budgetary and statutory policies that facilitate broadband deployment and adoption.

The West Piedmont Board of Commissioners respectfully requests acknowledgement of receipt

and recognition of the issues covered in this Legislative Platform.

CONTACT INFORMATION

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West Piedmont Planning District Commission
P.O. Box 5268, Martinsville, VA 24115
Ph: 276.638.3987 Fax: 276.638.8137 Email: dhoback@wppdc.org

Smith Mountain Lake Regional Chamber of Commerce
Government Affairs Committee

The mission of the Government Affairs Committee is to understand local, state and federal legislative, policy and regulatory issues that affect local businesses; to develop and recommend to the Board advocacy positions on those issues; and to communicate the Chamber's viewpoint clearly to membership, elected officials and the community at large.

Virginia State Officials

Governor Terry R. McAuliffe

Lt. Governor Ralph Northam

Senator Mark R. Warner

Senator Tim Kaine

Congressman Robert Hurt

SML-Area State Legislators

Delegate Les Adams

Delegate Kathy J. Byron

Senator Stephen D. Newman

Delegate Charles Poindexter

Senator Ralph Smith

Senator William M. Stanley

16430 Booker T. Washington Hwy. Suite 2 Moneta, VA 24121
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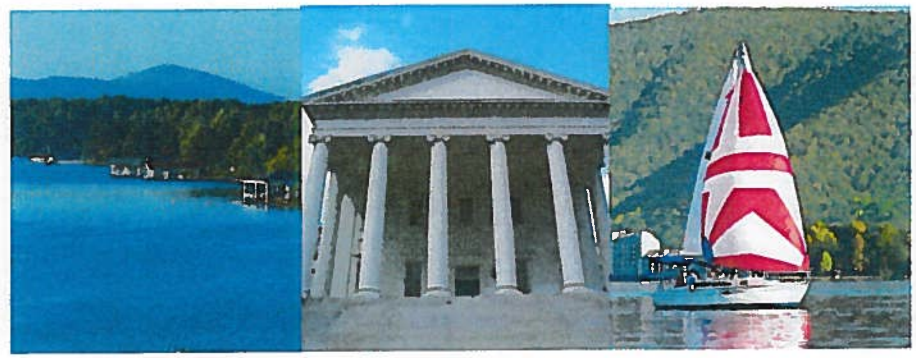
Franklin County

SMITH MOUNTAIN LAKE
Regional Chamber of Commerce



2016 Legislative Agenda

With 700 members, the SML Chamber provides information, support and advocacy for the region's growing business community. We service a three-county area consisting of Bedford, Franklin and Pittsylvania counties. The Chamber also operates the state-certified Visitor's Center at Smith Mountain Lake. Our goal is to expand business and tourism in the region.

SMLRCC spearheads the business community's involvement in public policy issues. State and local issues directly impacting the Lake region's economic vitality are the focal point of the organization's government affairs agenda.

In order to represent the local business community with a unified voice, we have prioritized legislative issues of greatest interest to the association's members. Details pertaining to each of these priorities are found on the following pages.

JEWEL OF THE BLUE RIDGE

2016 Legislative Agenda

Business and Tourism

Dedicated to promoting tourism and growing business for its members and the community, SMLRCC supports:

- Expanded funding for Virginia tourism to promote the new "Virginia Mountains Region."
- Development of a hiking and biking trail network to connect attractions such as Booker T. Washington National Monument and Bridgewater Plaza.
- Business-friendly legislation, including small business development financing, venture capital formation and tax incentives.

Protecting the Lake

Tourism is essential to the economy of the SML region. Lake safety, water quality and sufficiency are preconditions for that tourism. The Chamber supports:

- Common-sense legislation and regulation aimed at preserving and protecting the lake and surrounding areas. This includes efforts to prevent the introduction of harmful and invasive plant and animal species or to mitigate the effects of those species should preventative efforts be insufficient.
- Effective safe boating regulations and legislation.
- Continued government support of organizations such as the Tri-County Lakes Administrative Commission, which works to protect Lake water quality and quantity, recreation and navigability.

Transportation

Maintaining, modernizing and expanding all modes of transportation – aviation, waterborne, railroads, and especially highways – in the tri-county area (Bedford, Franklin and Pittsylvania) is a high priority. The Chamber's goal is to secure federal, regional, state and local investment in transportation and transit infrastructure. Priority programs:

- Address near-term traffic congestion on Hardy Rd., Jubal Early Hwy. and bottlenecks on Rt. 122 (Booker T. Washington Hwy.).
- Inclusion of a Bedford Amtrak station concurrent with the establishment of passenger rail service from Lynchburg to Roanoke.
- Improvements to Central and Southwest Virginia's highway infrastructure, including construction of I-73 and the widening of State Route 122 to four lanes between Rocky Mount and Bedford.

Globally Competitive Education and Training System

The jobs of the future and the ability of our businesses to compete rest in having a well-trained workforce. Providing high-caliber schools is critical to building, recruiting and retaining a competitive workforce. We support:

- Increasing investments in K-12, four-year degree programs, as well as technical workforce training with continued emphasis on science, technology, engineering, math and health – or STEM-H.
- Expanding secondary education in trades and other state-level initiatives to create a more comprehensive, unified system of publicly-funded employment and training services.

Economic Infrastructure

Today's communities need adequate infrastructure, including water, sewer and broadband, to attract and retain business.

- Increasingly, access to high-speed, affordable broadband service is a prerequisite to attract, retain, and grow businesses. The Chamber strongly encourages county governments to incentivize internet service providers to invest as necessary to make the area broadband competitive.
- SMLRCC supports the Franklin County "villages" concept to concentrate infrastructure investment to best attract and retain businesses in the region.
- Support legislation to create infrastructure-targeted economic development grants.

Sound Fiscal and Regulatory Stewardship

Sound fiscal and regulatory policies should be among the top priorities for governments at all levels as these precepts form the foundation for a vibrant economy as well as strong business and job growth. SMLRCC supports:

- Regulatory Reform: When programs are added or expanded, "sunset" superfluous or lower priority ones as funding offsets.
- Eliminating the Alternative Minimum Tax, lowering corporate and individual tax rates, and offsetting lost revenue by closing loopholes.
- To encourage investment and its impact on tourism, amending the Federal Power Act to require the Federal Energy Regulatory Commission to consider, in addition to energy conservation, wildlife enhancement, recreational opportunities and environmental quality, private property ownership when issuing and enforcing hydropower project licenses.

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FRANKLIN COUNTY
Board of Supervisors

Franklin County
A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE: **Public Hearing Policy Involving Planning Commission Recommendation**	**AGENDA DATE:** November 17, 2015 **ITEM NUMBER:**
SUBJECT/PROPOSAL/REQUEST:	**ACTION:** **Yes** **INFORMATION:**
STRATEGIC PLAN FOCUS AREA: **Action Strategy:** N/A	**CONSENT AGENDA:** No
STAFF CONTACT(S): Robertson, Whitlow, Sandy	**ATTACHMENTS:** No **REVIEWED BY:** BR

BACKGROUND:

At the October 20, 2015 meeting, the Board requested that staff develop a policy for the consideration of rezoning and special use permits and the scheduling of public hearings before the Board of Supervisors. By consensus, the Board agreed that a policy should be developed to specify when a rezoning or special use permit would be scheduled for public hearing before the Board. It was determined that a request should not be scheduled to appear before the Board until the Planning Commission has taken action on the petition in the form of a recommendation to the Board. Further, the Board requested that staff develop a policy and criteria for applications that may need to be "fast tracked" or expedited in the review process.

Sections 15.2-2204 and 2205 of the Code of Virginia outlines the notice requirements applicable to land use proposals. Section 15.2-2285 of the Code of Virginia also outlines the manner in which the local planning commission shall make their recommendation to the governing body on zoning amendments. Section 25-729 through 747 of the Franklin County Code also gives additional guidance on the zoning amendment process.

DISCUSSION:

Staff has considered the Board's request for a policy governing the scheduling of public hearings related to zoning matters before the Board of Supervisor's and has drafted a policy that is outlined below.

Rezoning and Special Use Permit Public Hearing Policy

Upon receipt of a completed application for rezoning or special use permit, the Zoning Administrator shall provide notices as required by 15.2-2204 and 2205 of the Code of Virginia and section 25-737 of Franklin County Code.

The Zoning Administrator shall schedule a public hearing on the petition, in accordance with 15.2-2285 of the Code of Virginia, on the date of the scheduled Planning Commission meeting the month following receipt of the completed application from the petitioner. The Planning Commission shall present its recommendations to the Board of Supervisors after the public hearing.

The Zoning Administrator shall schedule a public hearing on the petition, in accordance with 15.2-2285 of the Code of Virginia, on the date of the scheduled Board of Supervisors meeting the month following receipt of the recommendations from the Planning Commission. Failure of the Planning Commission to report their recommendations to the Board of Supervisors within 100 days after the first meeting of the commission shall be deemed as a favorable recommendation by the commission, unless the application has been withdrawn by the applicant (15.2-2285B).

The Board of Supervisors reserves the right to expedite petitions. At no time shall the county staff, Board of Supervisors or Planning Commission "fast track" or expedite the petition to conduct the required public hearings within the same month, unless one (1) or more of the following three (3) conditions can be satisfied:

1. Project is critical to securing or enhancing an economic development project for the County,
2. Project serves a critical public health, safety, or welfare need or requirement, or
3. Project is necessary for the County to comply with State or Federal laws or grant requirements.

RECOMMENDATION:

Staff recommends adoption of the policy as outlined above. Staff also recommends that the board of supervisors consider incorporating this policy into Chapter 25 of the Franklin County Code.

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FRANKLIN COUNTY
Board of Supervisors

Franklin County
A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE: Appointment of Zoning Administrator **SUBJECT/PROPOSAL/REQUEST:** Appointment by the Board of Supervisors of Planning Director to serve as Zoning Administrator **STAFF CONTACT(S):** Messrs. Robertson, Whitlow	**AGENDA DATE:** November 17, 2015 **ITEM NUMBER:** **ACTION:** **INFORMATION:** **CONSENT AGENDA:** Yes **ACTION:** **INFORMATION:** **ATTACHMENTS:** No **REVIEWED BY:** BR

BACKGROUND:

In accordance with Virginia Code and Section 25-611 of the County's Zoning Ordinance, the County must appoint Zoning Administrator to serve to interpret and make determinations in regard to zoning matters. The responsibility of administering and enforcing the subdivision regulations of the County is further vested in the Board of Supervisors through the Subdivision Agent. These roles have historically been filled by the Director. Since his arrival in 2008, Neil Holthouser, Director of Planning has served as the Zoning Administrator and Subdivision Agent and previously in 2007, Steve Sandy, former Deputy Director of Planning served in these roles.

DISCUSSION:

Steve Sandy was recently hired as Director of Planning. Mr. Sandy has previously served as Zoning Administrator and Subdivision Agent in Franklin County and has since served in similar roles in Montgomery County.

RECOMMENDATION:

Staff respectfully requests the Board of Supervisors appoint Steve Sandy, Director of Planning as Zoning Administrator. in accordance with Virginia Code and Section 25-611 of the County's Zoning Ordinance.

FRANKLIN COUNTY
Board of Supervisors

Franklin County
A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE: Solid Waste Collection Center Fencing	**AGENDA DATE** November 17, 2015 **ITEM NUMBER:**
SUBJECT/PROPOSAL/REQUEST: Award Contract For Solid Waste Collection Center Fencing	**ACTION:**
STRATEGIC PLAN FOCUS AREA: County Government Services	**CONSENT AGENDA:** Yes
GOAL #: #3 Customer Service	**INFORMATION:**
ACTION STRATEGY: Define and implement alternative methods for delivering County Services to expand citizen's options.	**ATTACHMENTS:** Bid Compilation sheet
STAFF CONTACT(S): Messrs. Robertson, Whitlow, Smith, Catlett	**REVIEWED BY:** RR

BACKGROUND:
Franklin County currently operates a front load greenbox system for the collection of the residential solid waste throughout the county. Due to the high expense, inefficiency and public misuse of the system, the Board of Supervisors at their February 17, 2015 meeting approved consolidating the existing greenbox sites into secure, manned sites with stationary trash compactors and rolloff type containers. At the September 15, 2015 Board meeting staff notified the Board of its intent to seek RFPs for the collection sites' security fencing to begin preparing the sites for consolidating.

DISCUSSION: In October, staff properly advertised for pricing for specific items related to the construction of the collection sites security fencing. Staff requested pricing for both 6' and 8' height options, but is now planning on using the 6' high option. Pricing was received for line items from 4 different vendors. The attached compilation sheet with extended unit prices for a standard site shows A@D Fencing of Boones Mill to have the best combination of pricing. The A@D price is less than staff's projected security fence expense.

NEXT ACTION STEPS:
Barring no objections from the Board, staff respectfully requests the Board to authorize the associated contract with A@D Fencing, thereby beginning such fence work at each site as they are prepared. Funding is budgeted and appropriated in the Collection and Recycling Centers capital Account 30-00-036-0044-57011.

Catlett, Charles

From: Catlett, Charles
Sent: Monday, November 02, 2015 1:36 PM
To: Dave Eback; adfence@centurylink.net
Cc: Smith, Don; Catlett, Charles; Tudor, Sharon
Subject: Collection Site Fencing Bid
Attachments: Scanned from a Xerox multifunction device001.pdf

All,

Attached you will find the bid tally of the bids received for the Franklin County Collection Site Fencing.

Below you will find a spreadsheet comparing the bids and using as a comparison basis a standard site with 500 feet of fence, 4 corner posts, and a 24 foot double swing gate:

Materials	Fence Builders	Powers Fencing	A & D Fencing	Long Fence
500' X 6' fence	$10,000	$12,500	$7,000	$9,125
4 corner posts	800	2,200	400	300
24' double gate	2,500	3,500	1,800	1,150
Totals	$13,300	$18,200	$9,200	$10,575

FTI Pipeline Economics Study

- MVP overestimates
  - Construction economic benefits
  - Maintenance and operation jobs and benefits
  - Benefits from fuel switching especially Franklin County
  - Benefits to local governments

- MVP underestimates
  - Costs to water, ecosystem, flood control
  - Costs to community services
  - Reduced property values
  - Diminished economic development opportunities

Construction Economic Benefit Overestimates

- The economic model used (IMPLAN) assumes no innovation which in this case overestimates indirect and induced spending
- Construction economic impacts models took the entire states of West Virginia and Virginia as regions of analysis rather than the 15 counties in WV and VA. Multipliers are overestimated.
- 10% of jobs are local based on Draft Resource Report 5. (Does local mean all of VA and WV?)
- 90% of workers will spend much of their money in other areas of the country.

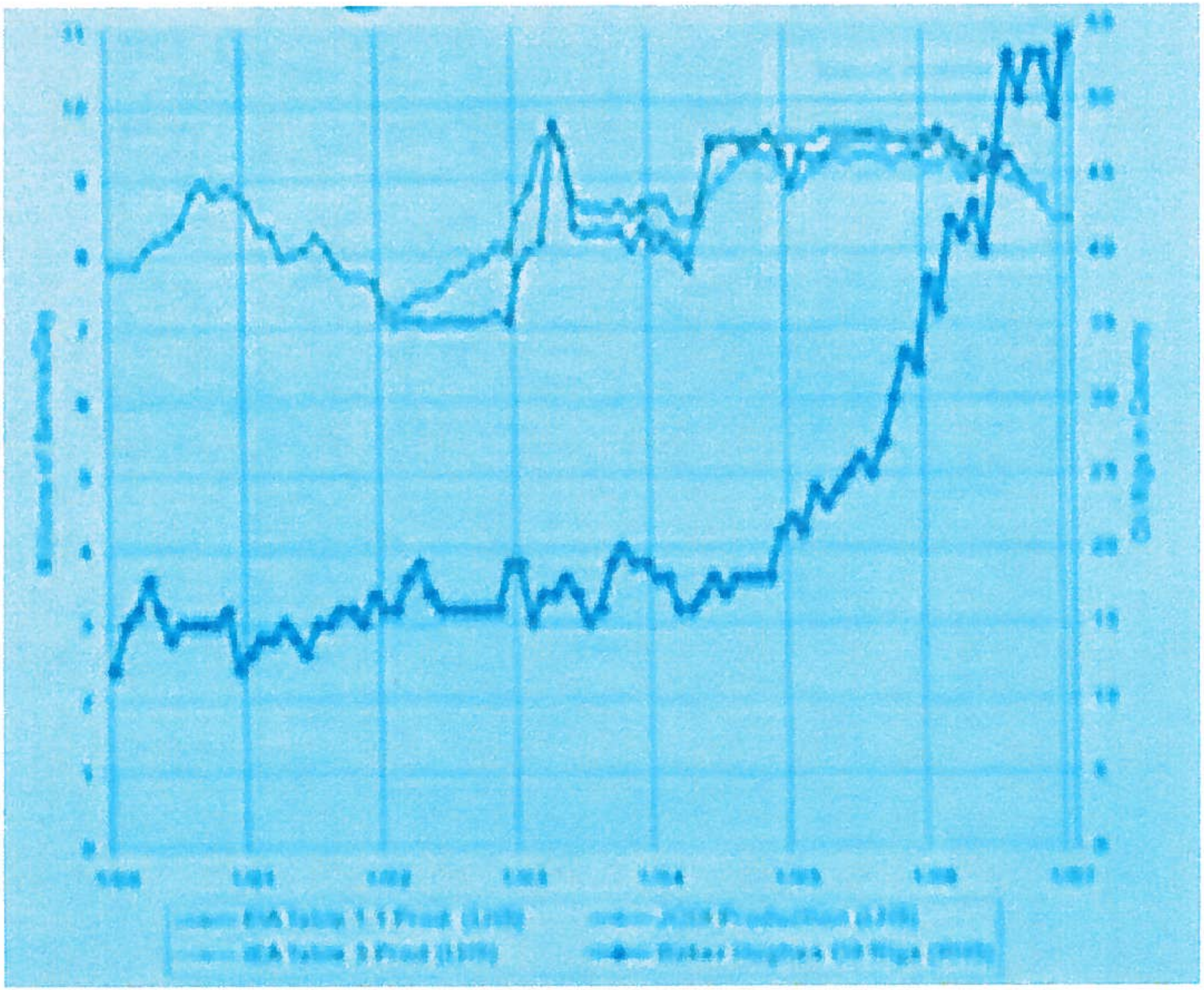
Maintenance and Operation Benefit Overestimates

- FTI used economic base modeling (IMPLAN) for short term construction and long term maintenance and operation
- Hayes et al. notes "Where economic base approach gets into trouble is when it is used… for planning or predicting impacts of greater than one year in duration. A snapshot of current conditions tells little about the form of a regions future economy"
- Static economy model assumes no changes in labor mobility, regional migration, local tax laws, technology
- Static economy model would NOT allow fuel switching
- 4 of 23 models correctly predicted economics.
- 25 long term jobs in WV and VA not 88

Fuel Switching Benefit Overestimates

- Using their IMPLAN model Fuel switching is zero because IMPLAN assumes static economy.
- 1 billion cubic feet annually would be required for Franklin County to make the switch to gas
- FTI estimate is we can only use 30% (297 MMcf)
- What is the plan to attract 700 MMcf of gas use?
- No information to evaluate claims for the level of fuel switching especially Franklin County.
- Fracked gas prices will increase
  - Red Queen Syndrome – More wells for the same output
  - Exporting could cause gas prices to triple
  - Rising demand will increase gas prices
- Solar, wind are not considered as fuels to switch toward
- Fuel switching could happen with or without MVP

Working Harder to Find Oil & Gas



Tax Revenue Overestimates

- Tax revenue estimate does not include risks of gas prices or market factors that could reduce income and taxes.
- MVP could be unnecessary – US DOE predicts only a modest need for interstate pipeline capacity then taxes are ZERO
- Higher gas prices = lower gas demand = lower taxes
- Revenue will decrease over time as gas supplies decrease (see Red Queen Syndrome)
- Landowner property values will go down lowering taxes
- Costs to local government
  - Additional rescue services in case of explosion
  - Lower tourism during construction
  - Additional water treatment or erosion control

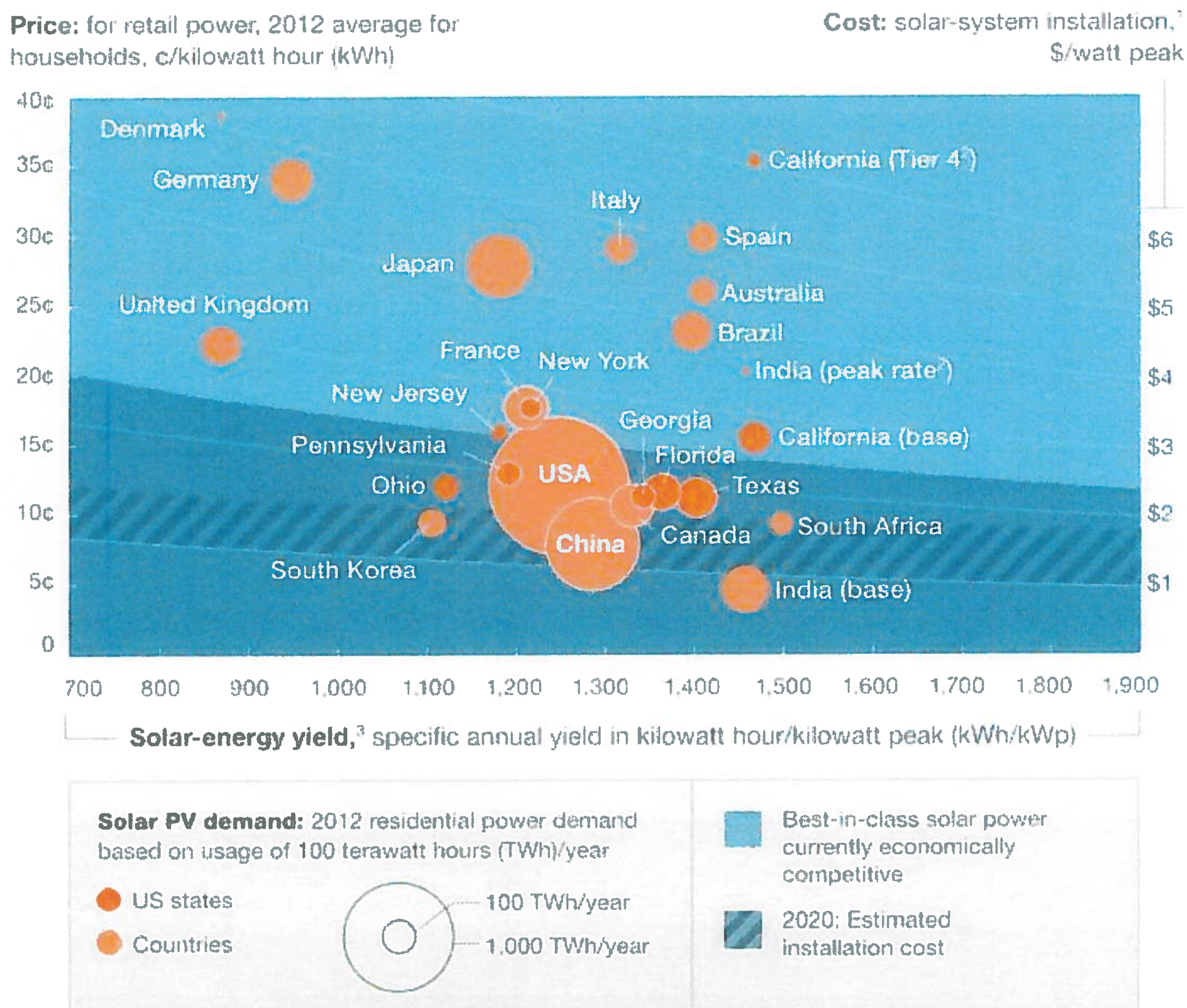
Public Costs of MVP

- Lost Ecosystem Services –
  - Land disturbance
  - Fragmentation of ecosystems
  - Corridors for invasive species
  - Lost timber production
  - Lost farmland
- Higher Community Services
  - Transient worker costs (higher crime, social services)
  - Road damage
  - Additional rescue services may be required
- Diminished property value
- Diminished economic development opportunity
- Sedimentation and erosion control oversight.

Alternatives

- Alternative energy – cost of solar decreased from $7 watts in 2008 to $4 watts in 2013. Solar continues to fall as gas prices will inevitably increase.
- Stanford calculates commercial scale solar is slightly cheaper than gas already in California
- Solar Utility is slightly more expensive than gas but will soon also be cheaper.
- Therefore fossil fuels will soon be more costly than solar
- Will MVP build this pipeline just in time for solar to take the place of gas?

Solar Prices and Grid Parity



Action Items

- Franklin County should invest in solar and wind, not gas
- Franklin County should support the regional Programmatic EIS proposed by Southern Environmental Law Center, Appalacian Mountain Advocates and the Center for Biological Diversity.
- Franklin County BOS should have a meeting regarding the MVP at a time when most citizens can attend

Reason for Caution:
Mountain Valley Pipeline Economic Studies Overestimate Benefits, Downplay Costs

October 6, 2015

Spencer Phillips, PhD, Key-Log Economics

Summary of Key Findings

Upon review of EQT-commissioned studies of the economic effects of the Mountain Valley Pipeline, we conclude that the studies overstate benefits to local communities. As importantly, we find that even a more careful and modest assessment of benefits is inadequate to meet the information needs of decision-makers and citizens: a full accounting of the likely costs (negative economic effects) must be developed, and its results must be compared to more realistic estimates of benefits.

- MVP studies over-estimate "Construction Benefits" to the MVP region.
  - The chosen modeling technique and choice of region for analysis result in overestimates of regional benefit.
  - Most construction jobs will be filled by non-residents, further depressing the local economic impact.
- MVP studies overestimate total employment effects of pipeline operation and maintenance.
  - The studies' modeling approach is unreliable for predicting multiplier effects more than one year into the future. Only direct operation/maintenance jobs should be counted as long-term effects.
- MVP studies overestimate benefits from fuel switching.
  - The studies do not demonstrate how much, if any, fuel switching would actually occur.
  - Estimated benefits for Franklin County, Virginia seem so unlikely given potential demand that they should be removed entirely.
  - The studies do not account for how future increases in gas prices and gas price volatility would affect either the likelihood of fuel switching in the first place or the long-run magnitude of any benefits from switching that still might occur.
  - The studies ignore energy conservation and/or renewables as additional alternatives to which would-be gas users could switch.
- MVP studies overstate financial benefits to local governments.
  - Estimated revenue increases are tied to fuel switching that may not occur.
  - Any actual increases in tax revenue will fade over time.
  - Studies ignore potential reduction in net tax revenue due to changes in property values.
  - Studies ignore likely increases in local public service costs and fail to present estimates of net effects on local government finances.
- FERC, elected officials, citizens and businesses need to consider costs, not just benefits.
  - Benefits estimates alone do not provide sufficient information to support a decision to permit the Mountain Valley Pipeline.
  - A full accounting for the following costs is needed.
    - Lost ecosystem services, such as water quality, flood control, wildlife habitat and aesthetic value
    - Higher community service costs, including disaster preparedness, social services, and road maintenance
    - Reduced property values as safety risks, lost views and other factors are reflected in market prices
    - Diminished economic development opportunities if MVP-oriented land uses impair or impede existing opportunities.

Details related to these five issues comprise the remainder of this report.

Background and Policy Setting

The Mountain Valley Pipeline, proposed to carry natural gas some 294 miles from Wetzel County, West Virginia to the Transcontinental compressor station in Pittsylvania County, Virginia, has been described as necessary both to meet growing demand for natural gas and, by providing a cheaper alternative to other fuels, to support economic growth in the counties along its proposed route (see map). EQT corporation and Mountain Valley Pipeline LLC ("MVP LLC")[1], including through FTI consulting, have developed estimates of selected economic effects of the proposed pipeline (Ditzel, Fisher, and Chakrabarti 2014b; Ditzel, Fisher, and Chakrabarti 2014a; "Resource Report 5: Socioeconomics (Draft)" 2015).

Estimates of the possible economic benefit of the MVP matter because they bear on the review of direct and cumulative environmental effects, which by law include economic effects, that the Federal Energy Regulatory Commission (FERC) must complete before issuing a "Certificate of Public Convenience and Necessity," or in the vernacular, permitting the pipeline to be built and operated. This review is governed both by FERC's own procedures and, ultimately, by the National Environmental Policy Act (Council on Environmental Quality 1978).

Mountain Valley Pipeline: Counties Included in FTI Studies

Economic benefit estimates also matter because they have been cited by political leaders and others as support for the notion that constructing and operating the pipeline will inevitably enhance economic well-being in Virginia and West Virginia (Petska 2015). This is an understandable concern, but as with the formal pipeline review and approval process, citizens and their public servants need to know more about the full range of economic effects–that is costs as well as benefits–before deciding whether the MVP will improve the lives and livelihoods of people living in the region it would traverse.

To advance the public discourse and ensure that citizens and decision makers have a more complete and correct picture of the economic effects of the MVP proposal, a consortium of non-profit organizations, community groups and concerned citizens in West Virginia and Virginia have asked Key-Log Economics, a Charlottesville-based consultancy, to review the three reports referenced above and to evaluate their claims of economic benefit from the MVP. This review is not the full picture either, but with it, we do sketch questions that FERC and others need to ask and answer as part of the official review.

Problems with Economic Impact and Benefit Estimates

Two studies by FTI Consulting, "Economic Benefits of the Mountain Valley Pipeline Project in Virginia," and "Economic Benefits of the Mountain Valley Pipeline Project in West Virginia" (Ditzel, Fisher, and Chakrabarti

[1] The Mountain Valley Pipeline would be built and operated by Mountain Valley Pipeline LLC, a joint venture between EQT Corporation, who commissioned the studies reviewed here, NextEra Energy, Inc., WGL Holdings, Inc., and Vega Energy Partners, Ltd. In this review, "MVP LLC" refers to this joint venture, and "MVP" refers to the pipeline itself.

2014b; Ditzel, Fisher, and Chakrabarti 2014a) ("The FTI studies") estimate economic impacts and benefits in four areas:

- Economic impacts resulting from spending on the construction of the pipeline;
- Economic impacts due to the ongoing operation and maintenance of the pipeline;
- Energy cost savings for energy users who switch to newly available natural gas; and
- Taxes paid to county governments.

The FTI studies employ methods, and either make or fail to examine assumptions in the use of those models, that lead to overstatement of each of these benefits. Benefits during construction are overestimated due to inherent issues with the models used and the choice of the size of the study region. For the three latter areas, long-term benefits are overestimated due in part due to the choice of empirical methods and in part due to overly optimistic assumptions about whether and to what extent the MVP would induce firms, institutions and households to switch to natural gas from other fuels. Because they relate to the long-term impacts, it is the latter three sets of estimates where the FTI studies raise the most serious questions about the accuracy and value of the results.

The first problem related to long-term estimates is that input-output analysis is inappropriately used to estimate long-term impacts, resulting in bloated estimates of jobs "created" by the ongoing operation and maintenance of the MVP. The second problem is that estimates of the benefits from fuel switching are likely to be very sensitive to assumptions about how likely it is that the MVP would cause firms to decide to switch, a decision that itself would be very sensitive to expectations about the level and volatility of future natural gas prices. The FTI studies neither explain their assumptions about those decisions nor include any sensitivity analysis related to price levels and volatility. By assuming that firms and others who hypothetically could use gas actually would begin to do so because of the MVP, and by assuming that cost advantages of natural gas relative to other energy prices will persist and be stable, the authors overestimate the benefits from fuel switching.

The third major problem is that tax revenue projections do not appear to have taken downside financial risk into account. Namely, what will happen to ad valorem tax revenues when the shale gas prices rise, when existing or other proposed pipeline capacity eats into MVP's market share, or when, inevitably, shale gas becomes too expensive to extract and transport? To the extent that the MVP would affect private property value, resulting reductions in property taxes must be netted out of projected increases in ad valorem taxes to provide an accurate picture of how the MVP will affect local government revenue. As importantly, likely increases in local government costs should be subtracted from projected net changes in revenue to provide county governments with information about how the MVP would affect their bottom line.

We address each of these problems in turn.

MVP LLC's studies overestimate short-term impacts of MVP construction.

The FTI studies' estimates of economic impacts resulting from spending on the construction of the pipeline suffer from inherent problems with input-output analysis, for which FTI used the IMPLAN data and modeling software. Input-output models are so-named because they purport to translate an exogenous change in the economy—that is, the "input," which in this case is spending required to construct the proposed MVP—into "outputs," which are spending by firms that MVP LLC would hire to build the pipeline, spending by firms that those firms would hire, and so on, plus spending by the households whose labor the various firms would hire. The spending by MVP LLC in this case would be a "direct" effect. Spending by the other firms would be the "indirect effects." Spending by those households would be the "induced effects." The ratio of the sum of all three effects to the direct effect is called the "multiplier."

While intuitively satisfying, empirical input-output models like IMPLAN are built on a very restrictive set of assumptions about how those spending/hiring decisions are made. (See also the box on page 5.) Namely, the models assume that decisions are made the way they have always been made. Even though firms and people in the real world will adjust and innovate when faced with a new situation, firms and people in the input-output model will just do what they have always done. And since innovation tends toward cost minimization, using input-output models as a proxy for real-world decision-making tends to overestimate a firms' spending and results in overestimates of "multiplier effects" (Hoffman and Fortmann 1996). What that means in this case is that construction of the MVP will not involve as much indirect and induced spending, or create as many indirect and induced jobs, in the real world as the output from FTI's run of the IMPLAN model suggests.

Another caution—and another reason FTI's estimates of construction impacts are likely inflated—is that FTI chose to use the entire states of Virginia and West Virginia as regions for analysis. Regional economic impact depends on the degree to which direct, indirect and induced spending can occur within the study region. The bigger the region, the more likely it is that you can find a firm in the region from which to buy materials or services, and the more likely it becomes that one could hire labor from someone living inside the region. In other words, the larger the region, the larger the multiplier effect.[2] The FTI studies do not present a rationale for the choice of entire states as the study regions. While the appropriate regions might be somewhat larger than the 10 West Virginia and 5 Virginia counties the proposed MVP would cross, they should not consist of the entirety of both states.[3] Consequently, the estimated multiplier effects and the benefits during construction, as presented in the FTI studies, are further overstated.

One final note regarding estimates of benefits during construction is that only 10% of the construction jobs would be filled by local workers. This estimate comes from MVP LLC's Draft Resource Report 5 and would relate the number of "direct" jobs included in the total jobs estimates in the FTI studies. (It is unclear whether the definition of "local" in Draft Resource Report 5 is as expansive as the state-wide regions considered by FTI.) With 90% of workers coming from outside the affected region, a lot less of workers' spending will occur inside the region. Unless accounted for in the use of IMPLAN—and FTI presents no information to suggest that it has accounted for the non-localness of construction workers—estimated multiplier effects will be inflated.

MVP LLC's studies overestimate employment impacts of MVP operation and maintenance.

The FTI studies use input-output modeling ("the IMPLAN framework") to project both short-term impacts from the construction of the pipeline and long-term or on-going impacts from the operation and maintenance (O&M) of the pipeline (Ditzel, Fisher, and Chakrabarti 2014a, 8; Ditzel, Fisher, and Chakrabarti 2014b, 11). While the former is generally reasonable (but see the cautions noted above), the latter is inappropriate. Briefly, input-output modeling is not suited for long-term economic impact assessment, and it has been empirically shown to be unreliable for that purpose. (See details in box on page 4.)

Using IMPLAN, the FTI studies project just 88 jobs across the two states (34 in Virginia and 54 in West Virginia) from the long-run operation and maintenance of the proposed MVP. The Draft Resource Report 5, on the other hand estimates, 25 "direct" O&M jobs for the long-run. This latter estimate seems reasonable, or at least it is in

[2] This result, and cautions about defining the right-sized region, are summarized in Hjerpe and Kim (2007).

[3] To give a simple example for why this is so, consider this scenario: A nonresident construction worker fills his gas tank in Blacksburg. The station's owner, a Blacksburg resident, later spends a portion of her income on dinner out while vacationing in Virginia Beach. In FTI's estimation, the expenditure on that meal is a benefit of the construction activity, because the spending occurs in the Commonwealth. But a regional impact analysis with a more thoughtfully drawn study region boundary would identify that expenditure as a "leakage" of dollars from the true impact area to another region. The cost of the meal would correctly be ascribed to the attractiveness of Virginia Beach as a vacation destination. It would not be ascribed to the construction a pipeline in the New River Valley.

line with similar estimates for the Atlantic Coast Pipeline, also under FERC review (Chmura Economics & Analytics 2014). The difference of 63 jobs is generated by the IMPLAN model's "multiplier effect." They comprise "indirect" employment, or jobs in companies providing materials and services needed for operation and maintenance of the MVP, and "induced" jobs, which are jobs supported when the people with the direct and indirect jobs spend their pay at grocery stores, at the doctor, or for other local goods and services.

To ascribe these indirect and induced jobs to the MVP as the cause of that employment in the long-term is to assume that the workers in those indirect and induced jobs would otherwise be idle. Such an assumption is not realistic: idle workers in the real world typically re-train or re-locate to take already open jobs, or they create new employment opportunities for themselves. Those 63 jobs, in other words, will most likely exist *somewhere*

MVP Studies Misapply Input-Output Analysis to Ongoing Operations

The reports by FTI Consulting take an "economic base" approach to estimate economic impacts of the MVP during its construction phase, which is reasonable, and for the indefinite operation and maintenance phase, which is not. As Haynes et al. (1997) note:

> Where the economic base approach gets into trouble is when it is used inappropriately as a tool for planning or predicting impacts of greater than one year in duration; a snapshot of current conditions tells little about the form a region's future economy may take.

The reason for this caution is that economic base theory and empirical input-output models grounded in that theory (e.g., the IMPLAN model used in the FTI reports) assume a static economy. In such an economy, there are no changes in relative prices, no input substitution or technological change in the production processes, no labor mobility, no change in products or consumers' tastes and preferences, no regional migration, and no changes in state and local tax laws—to name a few. The constant technology assumption, for example, prevents firms from using cost-savings innovations, forcing them to be inefficient, and the result is higher multiplier effects than are actually experienced (Hoffmann and Fortmann 1996).

Ironically, the assumption of no changes in relative prices and no input substitution, if applied consistently throughout the FTI studies, would also mean that the estimated "direct-use benefits" resulting from fuel switching to natural gas would be zero. (Fuel-switching is input substitution, and the addition of natural gas to the range of fuel choices is, in effect, a change in relative prices. If those changes cannot occur, they can produce no benefits.)

Due to these restrictive assumptions, economic base models have a dismal track record when it comes to predicting economic growth in the real world and in the long run. (The "long run" is more than a year into the future, when firm can change technology, prices can adjust, and people can change what they want to buy.) In a review of 23 studies, Krikelas (1991) compared predictions of the economic base model against the actual experience of the subject regions and found only 4 studies where the models correctly predicted longer run economic growth. Similarly, Robertson (2003) tested predictions from input-output models against actual experience in 15 communities in Southeast Alaska (a region in which many of the restrictive assumptions of economic base theory might actually apply). He found that initial economic stimulus does not "cause changes in economic activity serving local demand for the average community.... The implications of these results [are that] secondary economic impacts [i.e., "multiplier effects"] cannot be taken as a foregone conclusion in policy analysis" (p. iii).

In the case of the MVP, long-run job estimates based on such multiplier effects are highly suspect and should not be included among the long-run economic impacts of the pipeline.

with or without the direct MVP jobs. Operation of the pipeline, in other words, would no more create those jobs than it would form the methane pumped through it.

The MVP would no more create those additional 63 jobs than it would create the methane pumped through it.

It may seem trivial to worry about whether 63 jobs are imaginary in a two-state region with more than 5.8 million full- and part-time jobs (Headwaters Economics 2015; U.S. Bureau of Economic Analysis 2015). Some of those 63 jobs, however, would have to be imagined in smaller communities where one or two jobs can make a big difference. It is all the more important, therefore, to avoid over-stating long-term impacts and over-promising economic benefits from the pipeline.

MVP studies overstate benefits from fuel switching.

The FTI report estimates ongoing savings (and economic benefit) of $5.6 million per year for the five Virginia counties and $1.6 million per year for the ten West Virginia counties. All of the estimated savings in West Virginia would come from conversion of school and county/municipal fleet vehicles to natural gas (Ditzel, Fisher, and Chakrabarti 2014b, 3–5). In Virginia, the savings come from conversion of fleet vehicles, fuel switching by residential, commercial and municipal energy customers in Giles, Montgomery, Roanoke and Pittsylvania counties, which have natural gas now, and from the establishment of natural gas service in Franklin County (Ditzel, Fisher, and Chakrabarti 2014a, 3–4).

With the extension of natural gas accessibility to Franklin county representing $2.58 million—nearly half—of the estimated fuel-switching benefits for Virginia, it is important to consider just how likely the installation of the necessary infrastructure might be. As the authors themselves note, "...the minimum demand level for an economic interconnection is approximately 1 billion cubic feet (1,000 MMSCF) annually" (Ditzel, Fisher, and Chakrabarti 2014a, 19). Their estimated demand potential in the county, however, is just 297.2 MMSCF, or about 30% of the economic threshold. The authors suggest that investors may choose to establish such an interconnection anyway, but they do not explain what would cause such a striking departure from the one-billion-CF-per-year rule of thumb.

Thus, the estimated long-term economic benefits of the MVP are driven by fuel-switching, but almost half of the fuel-switching in Virginia is assumed to happen under on a set of circumstances in a single county that are unlikely to occur. The effect of fuel-switching in Franklin County should not be included in the benefit tally. The total expected value of fuel switching benefits in Virginia (before considerations listed below) would therefore be $3.1 million per year—that is, the amount projected for the Virginia counties that already have some access to natural gas.

Unless demand for natural gas in Franklin County turns out to be more than three times the estimated level, nearly half of the estimated benefits from fuel-switching in Virginia would never materialize.

The reason for that billion-CF-per-year threshold, of course, is that the high fixed costs of establishing the interconnection must be spread over a large enough cumulative supply of (and demand for) gas that the market price per CF falls to within reach of individual customers. A similar dynamic applies to smaller-scale decisions about switching to natural gas. Homeowners need to determine whether to purchase or convert to a gas furnace. Municipal governments and public institutions need to consider whether or how fast to replace their fleet vehicles. And manufactures need to decide if converting a process from electric to gas heat is worth the up-front investment. The FTI studies do take such private fixed costs into account, and the benefit estimates reflect costs savings net of those investments.

The studies do not, however, explain or provide information that makes it possible to evaluate their assumptions regarding the level of fuel switching in any of the 15 counties. The authors reference their review of "press statements...interviews with private and public entities in the counties and states, and [interviews with] local distribution companies and municipal agencies to gauge the fuel switching and manufacturing expansion potential in the counties" (Ditzel, Fisher, and Chakrabarti 2014a, 8; Ditzel, Fisher, and Chakrabarti 2014b, 9). The studies also include lists of manufacturing firms in selected counties in the study region (see Table 7 in each report). The implication is that the listed firms represent potential fuel switchers. That implication, however, needs to be documented with information regarding the probability that each of the listed firms would switch to natural gas, when each would make the switch, and whether the switch would be complete or would cover just some portion of the firm's fuel consumption.

The Virginia report lists the AEP Glen Lyn facility, which shut down this May, among the potential future natural gas customers. This suggests at a minimum that FTI's estimates of potential fuel switching are in need of ad downward revision. It would also seem prudent to revisit the estimates of potential natural gas demand from the other listed firms to see if their plans might have changed in the nine months since the studies' publication. Much more could change for these firms before the proposed MVP would come online, and any estimate of benefits from fuel switching should be tempered by an assessment of the risk that the switching may never occur.

The studies also err in their unstated but obvious assumption that fuel switching to natural gas will continue to provide an advantage in terms of *variable* costs in the mid- to long run. The fuel switching decision, after all, is as simple as deciding whether differences in the price of inputs (say gas versus oil), will be large enough to justify the investment in changing equipment, storage facilities, and processes to enable the future use of gas instead of the more expensive fuel. If the price advantage of gas is expected to persist long enough to recoup the up-front investment and longer term financing costs, then fuel switching could make sense. But if the price difference is expected to erode over time, fewer energy users would convert to natural gas.

Natural gas prices are almost guaranteed to increase significantly in the future. One reason is that even though the boom in unconventional natural gas is just a few years old and some worry about what to do with the "glut" of gas in regions like the Marcellus Shale (McMullen 2015), the industry is already experiencing the so-called "Red Queen Syndrome." This refers to the need to drill more and more wells (all of which are expensive) just to maintain the a level of production sufficient to attract new investment. (The syndrome is so named from *Through the Looking Glass*, in which the Red Queen tells Alice that "It takes all the running you can do to stay in the same place.")

This is a matter of the geological reality that, once hydrofracturing has begun, shale gas "diffuses and becomes impossible to extract without drilling costly new wells" (Engdahl 2013), coupled with the financial reality that returns for early investors are sometimes supported by investments by later investors. Regardless of whether branding this arrangement a "Ponzi scheme" is fair, there will come a time when returns on existing wells are not supported by the gas they produce. Investment, rig count and production will drop; prices will rise. (Gies 2015; McGraw 2015; Powers and Shaefer 2015).

In addition, natural gas development tends to target the most productive plays first, and the next increment of production will be more expensive to achieve. Added to the financial and geological forces driving the Red Queen Syndrome, this means that gas will become less abundant, more expensive, or both. As the *Wall Street*

Journal reported in June, the rate of increase in gas supplies is slowing, the glut is becoming less severe, and prices are rising (Puko 2015).

The prospect of large increases in liquefied natural gas exports are another reason to discount estimates of future direct-use benefits of gas carried by the MVP. A 2013 analysis by Charles River Associates warns that under a high export scenario domestic natural gas prices could triple, resulting in particularly detrimental effects on the manufacturing and power generation sectors (Ditzel, Plewes, and Broxson 2013). As the authors note, the inexorable logic of supply and demand does indeed apply to the natural gas market: "[their analysis shows that] higher rates of natural gas demand are not sustainable without significantly higher natural gas prices" (p. 8).

Volatility in natural gas prices, even without an increase in the average level of those prices, can have a similar effect on fuel-switching behavior. Risk averse consumers, business owners, or municipal and commercial facilities managers would have to realize average costs savings plus a bit more—a "risk premium"—to make their variable, or risky, cost savings feel the same as stable cost savings.

It seems clear that both rising prices and increased volatility are more matters of "when" than "if." The U.S. Energy Information Administration projects that natural gas prices will rise 2.3 times as fast as the next most expensive form of energy (oil) and more than 4.6 times as fast as the cheapest (electricity) between now and 2040 (US Energy Information Administration 2015). In light of such long-term projections, it seems reasonable that enthusiasm for making large investments in facilities and equipment that run on gas rather than other forms of energy would be dampened.

If the gap between the price of natural gas and the price of other fuels were to narrow sooner, that dampening would be even more pronounced. Powers and Shaefer interpret current data from the Marcellus and other gas-producing regions as indications that we are close to "peak gas," with declines in production and increases in price to follow (Powers and Shaefer 2015). With rig counts dropping and unit production costs exceeding prices, they conclude:

> Unless it is different this time (and it never is), the greatly reduced gas and oil rig counts will result in lower production and higher prices in both the short and long term.
>
> Lastly, it is not just declining production that will be the source of extreme volatility in coming months–rising demand will help push the US natural gas market to extremes. With the retirement of between 25 and 50 GW of coal fired power plants that will largely be replaced by gas-fired plants, and the opening of dozens of chemical and fertilizer plants–sharply rising natural gas prices over the next two years is virtually guaranteed.
>
> Increasing demand at a time of falling production will radically change the landscape of gas market despite the widely held belief that today's status quo of low prices will continue.

Rising gas prices would of course be good for the owners of rights to gas and for the drillers and energy services companies that extract the gas. But higher prices would not be good for the end users on whose fuel-switching behavior FTI's estimates of long-run benefit depend. Again, if these potential customers are economically rational, they will take the expected future increases and volatility in gas prices into account, and at least some of them will refrain from making that all-important fuel switching decision.

Neither volatility in natural gas prices nor the likely erosion of the cost advantages of natural gas were incorporated into the FTI studies' estimates of benefits stemming from fuel switching. This could and should have been accomplished by adding a risk premium to the price of natural gas (and to competing energy sources, as appropriate) and/or by running different scenarios for varying levels of cost savings for natural gas relative to other fuels. Such an approach would have made the estimates more realistic and useful for public discourse and decision-making.

It is worth noting that the FTI studies do not consider that there are other energy sources, including conservation and renewables, to which would-be gas customers could otherwise switch. A firm considering a switch away from conventional electricity could install solar panels and continue to use existing electrically-powered equipment rather than having to converting to gas-using versions. Homeowners could add insulation, upgrade to more energy efficient appliances, and install solar panels of their own. Such conversions to (or additions of) renewables to one's energy use also require up-front or fixed costs, but the ongoing cost savings would be less subject to the risk of increases in price of solar energy, which of course will remain free. Conversion to renewables might or might not be the preferred course for those firms, homeowners, and others who the studies assume will switch to natural gas, but by ignoring this obvious possibility, the studies further inflate their estimates of potential benefits of switching to gas.

One final caution on the topic of fuel switching is that the study seems to rely heavily on the story of the Celanese manufacturing facility in Giles County, Virginia as an archetype for what could happen if the MVP were to be built. Celanese decided in 2012 to convert its coal-fired boilers to natural gas to reduce pollution and increase efficiency. But Celanese made its decision to convert to gas without the presence or even the prospect of the Mountain Valley Pipeline. It is possible that there are further Celanese-style success stories waiting in the wings to take advantage of the proposed MVP. But just like Celanese, some of those potential converts to natural gas could make the switch without the MVP. In other words, at least some of the benefits from fuel switching that the FTI studies ascribe to the MVP could well happen using the infrastructure already in place. The cost savings associated with such cases should therefore not be counted as part of the benefits promised by the MVP.

MVP studies overstate expected tax revenues while ignoring public service costs.

In the FTI studies, tax revenues for local government are projected using a capitalized income approach. In this approach, net income for MVP LLC is estimated from its projected revenue and "...a set of proxy assumptions for operational and maintenance costs, selling, general, and administrative costs, cost of capital, debt/equity ratio, construction and long-term interest rates, and depreciation method and period" (Ditzel, Fisher, and Chakrabarti 2014a, 8; Ditzel, Fisher, and Chakrabarti 2014b, 8). Missing from this list of assumptions, however, is any consideration of risk or uncertainty regarding natural gas prices (see above) or other market factors that could reduce the capitalized income and therefore local tax revenue.

One important risk is that the MVP could turn out to be unnecessary. The US Department of Energy projects only a modest need for additional interstate pipeline capacity to meet demand from electric power generators (US Department of Energy 2015). New pipelines are one way to address that need, of course, and MVP is but one of several proposed for the Marcellus region. Other competition will come from increased capacity from the upgrade of existing lines, and more will come as one-way lines are converted to handle bi-directional flow. Each of these would erode MVP's potential market share. The less need there is for the MVP, the lower will be both its net revenue and its tax payments to local governments.

Another risk is related to the price volatility and long-term price trends already discussed. Volatility in the short run and increasing prices in the long run would reduce the quantity of gas demanded by end users. Less demand by end users means less need for transmission, and again, lower revenue for MVP and local governments.

Furthermore, there is no indication in the FTI studies that there would ever be any end to the stream of estimated tax revenue. But gas is a nonrenewable resource that will become economically and/or technically impossible to recover long before the methane itself is used up. When there is no more gas to transmit from the Marcellus, there will be no more capitalized income, and the stream of revenue will evaporate. Whether revenues from the MVP will last 5, 10 or 30 years, local governments would be right to discount the projected level of revenue to account for both year-by-year variation in annual tax revenue and for the limit to the number of years during which there will be any revenue at all.

The question of public service costs and reduced property value are included in the following section. But briefly, it is at least possible that the construction and ongoing operation of the proposed MVP will negatively affect property values. Exposure to the risk of injury and death, limitations on the productivity of farm and forestland, and impaired vistas that might otherwise be enjoyed by landowners farther away could all reduce the market value of properties in the region. Property tax revenues would fall as well, leaving local governments with the choice of raising tax rates (which would have its own negative impact on market prices)[4], or cutting local services in order to balance their budgets.

The latter of these options would be particularly challenging, because the MVP, if built, would add to the cost side of local governments' budgets. As just one example, the potential for pipeline explosions means that local governments all along the route will need to increase the number and training level of their first responders, purchase equipment, develop and keep updated emergency response and evacuation plans, and otherwise be prepared 24/7/365 for mass casualty events. Such considerations make it clear that the promise of new revenue alone is much less than county and municipal governments need to know before deciding whether the MVP presents a net gain for their citizens.

FERC, the Public, and Individuals must Consider Benefits AND Costs

In any other context, it would seem too obvious to point out that it is the net benefits, or benefits minus costs, that should bear on a public decision like permitting the MVP. And yet apart from the private costs of investments in infrastructure, equipment, or processes needed to accomplish fuel switching, the studies considered here largely ignore the public and external costs that would attend the construction, operation, and presence of the MVP. This nearly exclusive focus on benefits means, at a minimum, that the jury is still out on whether the MVP is good or bad, at least economically, for the citizens and communities it will affect in West Virginia and Virginia.

Arguably, consideration of the public or external costs of the MVP should be thoroughly covered in FERC's Environmental Impact Statement. MVP LLC's final version of Resource Report 5 (available now in draft form) should also provide information on these costs. To date, MVP LLC offers only vague assurances that the proposed MVP would impose no or only minor costs on agriculture, recreation, and other economic activities. It also claims that there would be no impact on property values (based on what is in our view a selective review of the literature on the subject) and that increases in community service costs would be minor and would occur only during the construction phase ("Resource Report 5: Socioeconomics (Draft)" 2015, 5–24ff). The draft promises more substantive treatment of these issues in the final version of Resource Report 5 to be submitted with its filing with FERC.

In the meantime, other entities, including local governments, citizen groups, and businesses would be wise to conduct their own independent assessment of these costs to better ensure that all of the relevant information can be brought to bear on the permitting decision. A short list of the relevant vectors by which the MVP would impose costs include the following:

[4] Phillips (2004) is one example of empirical research demonstrating that property values increase with proximity to protected areas (that preserve viewsheds and other values) and decrease with higher tax rates.

1. **Lost Ecosystem Services.** The first vector is the effect of natural gas transmission on the environment and the echoes of that effect in the well-being of people in and beyond the region. From the construction phase, through years of operation (with and without potential leaks, explosions and other accidents), and on to eventual obsolescence and decommissioning, the MVP will alter the ecosystems it crosses. Surface and subsurface disturbance, alteration of watercourses, impacts on groundwater, fragmentation of habitat, visual blight, creation of travel corridors for invasive species, lost timber production, and other changes are all likely (and many are certain) effects of the MVP. Each of these effects will alter the capacity of the landscape to provide so-called "ecosystem services" – that is, "the benefits to people supplied by nature" (Reid et al. 2005; USDA Forest Service 2012). These benefits include: water to drink or as a resource for farms, vineyards, breweries, and distilleries; scenic amenities and recreational opportunities for residents and visitors; fiber production; nutritional and cultural value enjoyed by hunters and anglers; and protection from injury and property loss. These ecosystem services all have tangible value to people and are true economics assets that can be valued in monetary terms. Each will be diminished by the construction, operation and presence of the MVP, with concerns for water quality (due to a loss of erosion control) and air quality (due to emissions from compressor stations overwhelming ecosystems capacity to absorb pollutants) being particularly acute concerns.

2. **Higher Community Services Costs.** Like communities impacted by the shale gas boom itself, communities along the pipeline can expect a wave of impacts as transient workers come and go, roads are damaged by extra and extra heavy traffic, and as people suffer increases in physical and mental illnesses including asthma, depression, anxiety and others triggered by exposure to airborne pollutants, noise, and emotional, economic, and other stress. See, for example, Ferrar et al. (2013), Healy (2013), Fuller (2007), Campoy (2012), and Mufson (2012). While the shale gas boom and related "downstream" development is so new that definitive studies have not been completed, these and other reports do raise important questions about the impact of rapid expansion of natural gas on physical, mental, social, and fiscal health of people and communities. Some 90% of the workers who will build the MVP will be transient, with little connection to local communities ("Resource Report 5: Socioeconomics (Draft)" 2015). As the experience of communities in the Bakken and other parts of the Marcellus indicate, off-hours behavior of transient, temporary workers can increase needs for law enforcement, social services, drug abuse treatment, and other services. All of these add to the local costs, and added tax revenues or other fees paid by energy companies might or might not cover the added bills.

3. **Reduced Property Values.** The third vector of cost is more localized and well-understood: pipeline corridors and all gas transmission infrastructure entails the transfer of at least some portion of current landowners' property to the gas industry. Landowners are typically paid some estimate of fair market value for the acreage directly occupied by rights of way and the infrastructure itself. But that acreage is typically a small fraction of the total area on which property value will decline. Properties within the earshot, blast radius, leak plume, and other physical contact with pipeline right-of-way and compressor stations will obviously suffer the greatest losses. Properties farther away that become less desirable, and therefore less marketable, because of impaired views or reduced enjoyment of recreation and other ecosystem services will lose value as well. While current legal precedent may require only that owners of property taken and physically occupied by natural gas infrastructure be compensated, economic efficiency demands that the full reduction in the value of all properties be considered and weighed against the estimated benefits of the MVP.

   We are aware that the Commission has previously held that natural gas pipelines have, at most, an ambiguous and non-permanent effect on property values. In its Final EIS regarding the Constitution Pipeline, for example, the Commission cited two articles that conclude, respectively and in brief, that effects on property value from the presence of a pipeline can be either positive or negative (Diskin et al. 2011) and that a negative effect on property values due to a pipeline explosion diminishes over time (Hansen, Benson, and Hagen 2006). Neither of these studies is definitive for the Mountain Valley Pipeline.

For a number of reasons, the Commission must look beyond these studies to make an adequate examination of the impact of new, large, high-pressure natural gas transmission lines and associated infrastructure (e.g., compressor stations) on property values. One reason is that the subjects of those studies differ from the MVP scenario in some important ways, including the setting, uses, and age of the pipelines. Another is that the Diskin et al. article uses methods that are simply inadequate for the purpose of discerning the effect of a pipeline among the many factors that influence the value of a given piece of property. In addition, the subject of that study was a second pipeline installed in residential areas already home to a natural gas pipeline. Thus, the residents experienced little change in their exposure to physical danger, visual blight or other impacts. The impact of the first pipeline, in other words, would already have been capitalized into property values by the time the second pipeline was installed. One would therefore expect the incremental impacts of going from one pipeline to two pipelines to be relatively small compared to going from no pipeline to one pipeline. The latter would obviously be the situation for much of the proposed MVP route.

The subject of the second study was a liquid petroleum pipeline which may present different risk and other impacts than a high-pressure gas pipeline such as the proposed MVP. More importantly, the study focused not on the construction of a new pipeline but on the explosion of an existing one. Using more robust methods, Hansen, Bensen and Hagen did find a significant price effect after the explosion, but the effect did decay over time (2006).

We do not dispute these findings, but we would caution that the effects of the construction of the MVP could be quite different. One reason is the rapidly evolving means by which real estate transactions are formed. The information and tools available to homebuyers have changed dramatically in the nine years since the publication of the Hansen study, and they have changed radically since the explosion in 1999 that triggered the (temporary) drop in land prices its authors discovered. It is quite possible in that case that the rebound of prices occurred due to a lack of readily available information about the explosion to later purchasers. People buying a home in the years following the 1999 explosion could not query Zillow to see the history of land prices near the pipeline, nor could they explore online maps to see what "locally undesirable land uses" exist near homes they might consider buying. Nor did they have access to YouTube and repeated opportunities to find and view news stories, citizens' video, etc. describing and depicting the explosion and its aftermath.

It is not that no such information existed—prospective buyers could always have consulted paper records kept by the local government agencies to learn the sales history, and they could have researched the neighborhood using older techniques. But internet-based tools have certainly changed the ways people shop for homes. We are now in a real world much closer to the competitive economic model that assumes that all buyers have full information about the homes they might buy. Even the proverbial space alien landing on earth with an eye toward buying property near the proposed MVP corridor would quickly learn that the property is in fact near the corridor, that there is a danger that the property could be adversely affected by still-pending project approval, and that fossil fuel pipelines and related infrastructure have an alarming history of negative health and environmental effects. Accordingly, the price that s/he (or any human) would offer for a home near the MVP will be lower than the price offered for one farther away or in another community or region entirely.

Reductions in real estate value are not merely hypothetical. Landowners and realtors along the proposed route of the Atlantic Coast Pipeline in central Virginia report that buyers have backed out of contracts and that other buyers are simply less interested in potentially affected properties (Smith 2015).[5] In a more systematic review Kielisch (2015) provides evidence that natural gas pipelines negatively affect property values in a wide range of settings. In one of his reported studies, more than 60% of would-be buyers would not purchase properties that are exposed to the life safety and other risks associated with natural gas pipelines. The would-be buyers who stay in the market would pay 21% less properties exposed to such risks, even when informed that the probability associated with those risks is small.

Naturally, any reduction in property values would have implications for local public finance. Property tax revenues could drop, and local governments may need to raise property tax rates to meet budget obligations. This effect would be even more pressing if local public service costs rise while property tax revenues fall.

4. **Diminished Economic Development Opportunity.** Fourth and finally are the effects that the MVP could have on the region's existing economic development opportunities. The Virginia counties in the path of the MVP, for example, have been experiencing lower unemployment (at 3.4%), much faster population growth, and faster personal income growth than the average for non-metro Virginia. Non-labor income (consisting primarily of investment income and age-related transfer payments) is growing very quickly: it has increased by 43% since 2000, while income from wages and salaries increased by just 4.3% over the same period (Headwaters Economics 2015; U.S. Bureau of Economic Analysis 2015).

   In similar fashion, the 10 West Virginia counties compare well to the average of the non-metro portion of the state. Population is declining overall, but it is declining more slowly in the 10-counties the MVP is proposed to cross. The unemployment rate is slightly lower, but employment has grown by more than twice as much (7.2% versus 3.1%) across the 10 counties than it has in the whole of non-metro West Virginia (Headwaters Economics 2015; U.S. Bureau of Economic Analysis 2015).

   While such simple comparisons are not definitive (see below regarding FTI's comparison of Harrison and Webster County, West Virginia), they do beg the question of whether new natural gas infrastructure is necessary to support appropriate and sustainable economic development in this region. Indeed the trends noted above could well characterize a region that is capitalizing on its attractiveness to tourists, retirees, vacation homeowners, and footloose entrepreneurs in diverse industries. It could be taking advantage of what Mcgranahan, Wohan and Lambert call the "Rural Growth Trifecta" of outdoor amenities, a creative class of workers, and the right entrepreneurial context (innovation-friendliness) (2010).

   In contrast to an older demand-side view of economic development in which jobs are created in a place and then people go to where the jobs are, an evolved supply-side understanding puts amenities and people first. Niemi and Whitelaw explain this it this way:

   > As in the rest of the Nation, natural-resource amenities exert an influence on the location, structure, and rate of economic growth in the southern Appalachians. This influence occurs through the so-

[5] FERC's docket for the pre-filing phase of the Atlantic Coast Pipeline (PF15-6) is rife with testimony from landowners concerned that their property will be, or already has been, negatively affected by the mere possibility of that pipeline's construction.

called people-first-then-jobs mechanism, in which households move to (or stay in) an area because they want to live there, thereby triggering the development of businesses seeking to take advantage of the households' labor supply and consumptive demand (1999, 54).

Further explanation and empirical results related to the importance of amenities, rather than resource extraction or incentives to attract industrial development, can be found in Knapp and Graves (1989), Power (1996), Rosenberger and English (2005), and Nzaku and Bukenya (2005), to name a few. In light of these findings, statistics from the cash economy, such as differences in wages between high-amenity and heavily industrialized areas make perfect sense: people do trade off cash income for quality of life . They receive what Niemi and Whitelaw call a "second paycheck" in health, recreational access and other values, that compensates for the income they give up by not moving to a less desirable location (1999, 18).[6]

Natural gas development and operations can upset the economic apple cart in these communities by reducing quality of life. The likely result is that recent investments in appropriate economic development will not perform as hoped, and further development along the same lines will be discouraged. Workers, businesses and retirees who might otherwise choose to locate in communities near those operations will opt instead for locations that retain more of their rural character, pastoral landscapes, and quality of life.

We note that the FTI studies do address this issue somewhat, but it is done in a very selective and potentially misleading way. Table 4 of the West Virginia report presents a side-by-side comparison of selected infrastructure and economic performance indicators for Harrison and Webster Counties. The two counties differ in several respects reflected in the table, including that Harrison County has natural gas access while Webster does not. The authors stated conclusion is that "counties with extensive infrastructure access (rail, water, electricity, natural gas, interstates, broadband, etc.) are simply provided more opportunities to grow their economy" (Ditzel, Fisher, and Chakrabarti 2014b, 15). Setting aside debates over whether "growth" per se, as opposed to development, is what people living in those counties need or want, there are few economists who would dispute this conclusion.

Where the authors err is in the clear implication (given the topic and focus of the report) that it is access to natural gas infrastructure that makes a critical difference. No economist would draw this conclusion based on the evidence presented, and no reader of the report should be led to believe that it is Harrison County's access to natural gas that makes it have lower unemployment, for example, than Webster County.

Harrison is different than Webster in other important ways, including proximity to a regional airport, a population density ten times that of Webster, and a higher percentage of adults who have completed high school or college ("American FactFinder" 2015; "The National Map: Transportation" 2015). Any one of these and other factors (or a combination of them) could be much more important. Once other factors are considered, it could even be the case that natural gas access has no effect at all. Relevant information bearing on this question could easily be obtained through multiple regression analysis, but the authors do not attempt, or at least have not reported, such information.[7]

Even a broader descriptive analysis would shed more light on the question of whether natural gas pipelines and access to natural gas might influence economic development. Greenbrier County is one of the few West Virginia counties currently free of major natural gas infrastructure and, according to the FTI study,

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[6] See also Roback (1982; 1988) for earlier statistical analysis of this phenomenon.

[7] The regional development literature is rife with models and examples for how such analyses can be performed and what tends most to influence economic growth. See Rasker et al. (2004), and Rosenberger and English (2005) as examples of the application of these models to rural areas with varying degrees of infrastructure and amenity access, along with other relevant factors.

Greenbrier County has "significantly lower" natural gas usage than in the rest of the state (Ditzel, Fisher, and Chakrabarti 2014b, 38). Even so, and among the 10 West Virginia counties proposed for the MVP, Greenbrier County's employment and personal income growth since 1970 (60.9% and 128.3%, respectively) are second only to those of Dodderidge County (80.3% and 140.3%). While one might take this as evidence that the shale gas boom (in Dodderidge) trumps Greenbrier's amenities as an engine of economic growth, consider Harrison and Wetzel Counties, Dodderidge's neighbors that are also in heart of the shale boom. Both counties lost population from 1970 to 2013 (Dodderidge and Greenbrier gained people), and their growth in employment and personal income were far slower than Greenbrier's (Headwaters Economics 2015; U.S. Bureau of Economic Analysis 2015).

Do these data prove that shale gas extraction or a surfeit of gas transmission infrastructure prevents economic development? Of course not, but neither does FTI's presentation show, let alone prove, that natural gas causes economic development. Further study is warranted, and FERC should ensure that these questions are addressed seriously and thoroughly in its deliberations.

These external market and non-market costs of the proposed MVP are not side issues or mere niceties. They are crucial to the question of whether or not a new natural gas transmission pipeline would truly bring net benefits and serve the economic interests of the region and its constituent communities. Economic efficiency, not to mention sound public policy, require that decisions about the MVP be made with the best possible information about the total economic costs the pipeline would impose, alongside better information about the potential benefits than has been developed and presented by MVP LLC to date.

Conclusions and Recommendations

Given the cautions and considerations outlined above, we believe that the information presented to date regarding the economic effects of the proposed Mountain Valley Pipeline is both inaccurate for, and inadequate to, the task of informing public decisions about whether the MVP should or should not be permitted, built, and operated. Correcting these issues would require, at a minimum, the following actions:

- Revisit and revise estimates of the construction benefits using a right-sized study region.
- Adjust benefit estimates by considering only the direct effects (not indirect and induced effects) of operation and maintenance of the MVP.
- Remove Franklin County from estimates of direct benefits from fuel switching in Virginia.
- Conduct a rigorous sensitivity analysis to determine the extent to which fuel-switching benefits would occur with smaller price differentials between gas and other fuels and due to volatility of natural gas prices.
- Include conservation and renewables in the mix of alternatives against which potential fuel switchers would compare their current energy mix and/or an energy mix with added natural gas potential.
- Discount long-term property tax revenue projections to account for market-driven risk to ad valorem revenue and for reductions in private property value.
- Net public service costs out of projected changes in local tax revenue.
- Complete a thorough and rigorous evaluation of the full economic costs of the Mountain Valley Pipeline.

It is impossible to say at this point what the net effect, positive or negative, of the MVP would be. We can be certain, however, that more careful estimates of expected benefits would be lower than those presented by MVP LLC via the FTI studies to date. We can also be certain that the costs—that is, the negative economic impacts—of the proposed MVP (if constructed) will be higher than zero, which is the level stated or implied by the studies reviewed here. Further, stronger, and more comprehensive research is needed to determine how well more realistic estimates of benefits compare with the likely costs.

(Richardson 1985; Robertson 2003; Krikelas 1992; Hoffman and Fortmann 1996)

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Re: Improving FERC and Forest Service NEPA Review of Proposed Pipelines to Transport Natural Gas from the Marcellus Shale through Joint Preparation of Programmatic Environmental Impact Statement (PEIS)

Dear Ms. Miles and Mr. Tidwell:

On behalf of the conservation organization Preserve Craig, this letter and attached memorandum address the question of how the Federal Energy Regulatory Commission (FERC) and the United States Forest Service (Forest Service) can work collectively to improve their environmental review of applications for Marcellus Shale natural gas pipelines pursuant to the National Environmental Policy Act (NEPA).

FERC has regulatory authority over pipelines that carry natural gas in interstate commerce, and the Forest Service has authority over the approval of pipelines (both interstate and intrastate) that traverse national forest lands.[1] In the past decade, there has been an exponential increase in the number of applications to FERC and the Forest Service for approval of pipelines in Greater Appalachia to transport natural gas extracted from the Marcellus Shale. There has been a corresponding rise in concern about the environmental impacts of such

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[1] We note that, pursuant to Clean Water Act section 404, 33 U.S.C. § 1344, the U.S. Army Corps of Engineers (Army Corps) has authority over pipelines that cross waters of the United States. Like the Forest Service, it is a Cooperating Agency for purposes of FERC's preparation of an Environmental Impact Statement for the Mountain Valley Pipeline Project (PF15-3).

pipelines by individuals and organizations based in or near the proposed pipeline locations. FERC and Forest Service's respective review and approval of such pipelines are subject to NEPA's environmental impact assessment requirements, and the NEPA review process has been a focus of conservation stakeholders.

To date, the agencies have approached NEPA compliance for natural gas pipelines within the Greater Appalachia region on a project-by-project basis, without the benefit of a regional programmatic environmental impact statement (PEIS) off of which project-specific NEPA documents could tier. As discussed in the attached memorandum, given the surge in pipeline proposals within this region, the reliance on project-by-project NEPA review has become increasingly ineffective and inadequate. FERC and Forest Service Staffs' review is complicated by duplicative and potentially inconsistent information regarding baseline conditions, cumulative impacts, connected actions, indirect effects, and mitigation protocols provided by the applicants and stakeholders. This contributes to concerns regarding the timing and adequacy of the analysis.

Many of the shortcomings of the current NEPA-review approach could be remedied by FERC and the Forest Service jointly preparing a PEIS focused on Marcellus Shale natural gas pipelines located in the Greater Appalachia region. As discussed in the attached memorandum, we recommend a PEIS that includes the following focus and parameters:

- Geographic Scope – Natural gas pipelines subject to FERC and/or Forest Service approval that are intended to transport natural gas extracted from the Marcellus Shale in Greater Appalachia (relying on the United States Geological Survey designation of the Marcellus Shale area);

- Temporal Scope – Cumulative impact analysis of natural gas pipelines constructed in the last decade and currently pending proposals for new pipeline construction to transport natural gas extracted from the Marcellus Shale;

- Baseline Conditions – Overview of the natural resource, scenic/viewshed, and historic resource conditions in the Greater Appalachia region where Marcellus Shale natural gas pipelines have been and are proposed to be located, with particular attention on waterways and water supplies;

- Connected Actions/Indirect Effects – Analysis of the construction of intrastate gathering lines needed to transport Marcellus Shale natural gas from well-heads to the new proposed pipelines subject to FERC and Forest Service approval;

- Regional Need for Additional Pipeline Capacity – To guide project-specific pipeline project review by FERC and the Forest Service, determination of needed regional increase in pipeline capacity to meet anticipated development of Marcellus Shale natural gas development in coming decades; and

- Uniform Pipeline Route and Watercourse Crossing Criteria – Based on regionally-specific criteria related to impacts on natural resources, viewsheds, and drinking water supplies, development of "preferred" and "not-preferred" new pipeline routes across private/non-federal lands and national forests, and development of uniform criteria for environmental assessment of pipeline crossings over watercourses.[2]

By addressing issues such as these in a regional PEIS, FERC and the Forest Service would not create a substitute for the project-specific NEPA review of particular pipeline projects. Rather, through use of a joint PEIS, FERC and the Forest Service would establish a uniform set of regional analysis, data, and mitigation approaches to improve and streamline subsequent, project-level NEPA review. The result would be greater certainty, clarity and efficiency for agency staff, applicants, and stakeholders, as well as greater protection of natural resources and the environment in the region (by consolidating pipeline capacity expansion projects and siting them in areas that minimize environmental impacts).

We request an opportunity to meet with FERC's Office of Energy Projects and Forest Service Staffs to discuss the advantages of the PEIS in these circumstances. In our view, the PEIS process provides an opportunity for FERC and the Forest Service to be proactive in the creation of uniform data, analysis, and criteria that will shape the project-specific pipeline applications the agencies receive. Agency staff, project applicants, and other stakeholders would all benefit under this approach.

Sincerely,

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Attorneys for PRESERVE CRAIG

2 We recommend that FERC and Forest Service consult and cooperate with the Army Corps in the development of these uniform criteria.

Attachment 1: *Improving FERC and Forest Service NEPA Review of Proposed Interstate Pipeline to Transport Natural Gas from the Marcellus Shale* (Memorandum prepared by Water and Power Law Group PC)

Cc:

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Attachment 1

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To: Preserve Craig

From: Paul Stanton Kibel
Julie Gantenbein

Cc: Richard Roos-Collins

Date: October 19, 2015

Re: **Improving NEPA Review of Proposed Interstate Pipelines to Transport Natural Gas from the Marcellus Shale**

Preserve Craig asked the Water and Power Law Group to prepare a memorandum regarding the use of a Programmatic Environmental Impact Statement (PEIS or programmatic EIS) under the National Environmental Policy Act (NEPA) to analyze the environmental impacts of proposed interstate pipelines within Virginia and the Greater Appalachia region. You intend that this memo will be a basis for engaging with regulatory agencies and other stakeholders to assure an effective approach to the cumulative impacts of these pipelines. Our conclusion is that a programmatic EIS is permitted in these circumstances, and that there are significant precedents for preparation of such documents in the energy and natural resources sector that are instructive here

I. Introduction

1. Over the past decade, there has been ever-increasing interest in natural gas development in portions of such states as New York, Pennsylvania, Virginia, and West Virginia in the Greater Appalachia region that overlie the Marcellus Shale. The development includes the installation of new wells to extract natural gas from the Marcellus Shale, and the construction of gathering lines and interstate pipelines to transport Marcellus Shale natural gas from the wells to further points for distribution and consumption.

2. The Federal Energy Regulatory Commission (FERC) has jurisdiction over the construction of interstate natural gas lines. In recent years FERC has received an increasing number of applications for the construction of interstate pipelines in Greater Appalachia.

3. Some of the recent applications submitted to FERC for the construction of interstate pipelines in Greater Appalachia involve pipelines that would traverse national forests

managed by the United States Forest Service (Forest Service). The placement of natural gas pipelines on national forest land is subject to the review and approval of the Forest Service.

4. Many of the applications also propose multiple water crossings that are subject to the U.S. Army Corps of Engineers (Army Corps) permitting authority under Clean Water Act section 404(a).[1]

5. The construction of new interstate pipelines in Greater Appalachia will have environmental impacts, including: clearance of woodlands, vegetation and potential species habitat from pipeline corridors; effects on the landscapes; and threats to water quality and drinking water supplies, fish and recreational uses of streams, rivers, creeks and wetlands that will be crossed by new interstate pipelines. There also will be environmental impacts from the new gathering lines that will be constructed to transport Marcellus Shale natural gas from new wells to the interstate pipelines.

6. The Greater Appalachia region where the Marcellus Shale natural gas development is taking place and where new related interstate natural gas pipelines are being proposed has certain unique characteristics and resources. It is a region known for its network of pure streams, creeks and rivers; abundant woodlands, pastoral bluegrass landscapes and hillside ecosystems; and legendary whitewater rafting; numerous historical sites relating to the civil war period. These region-specific resources may be impacted by the proposed new interstate natural gas pipelines in Greater Appalachia subject to FERC's review and approval.

7. Pursuant to NEPA, FERC must prepare an environmental impact statement (EIS) prior to issuing a certification for a new interstate natural gas pipeline.[2] The Forest Service must conduct an environmental impact assessment prior to approving the construction and operation of natural gas pipelines on national forest lands. Similarly, the U.S. Army Corps of Engineers (Army Corps) must prepare an environmental impact assessment for certain categories of dredge and fill permits required for projects that cross waterways or wetlands. To encourage more consistent and streamlined review of projects subject to approval by multiple federal agencies, NEPA provides for something called "tiering."

a. With NEPA tiering, federal agencies can prepare a programmatic EIS for a series of anticipated projects in a specific region with similar environmental impacts, and then rely on the analysis in the PEIS in subsequent project-specific EISs prepared for particular projects.

b. A federal agency's use of a PEIS does not substitute for site-specific EISs for particular projects, rather it allows the site-specific EIS to "tier" off of the PEIS to promote more uniform analysis for all stakeholders involved and avoid unnecessary duplication and delay in the agency's environmental review.

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[1] 33 U.S.C. § 1344(a). Section 404 requires a federal permit for the discharge of dredge and fill into navigable waters.

[2] 42 U.S.C. §4332(2)(C).

8. To date FERC's approach to NEPA compliance for applications for new interstate pipelines in Greater Appalachia, and the Forest Service's approach to NEPA compliance for applications to locate such pipelines on national forest lands, has been to conduct site-specific/project-specific EISs without tiering off of a programmatic EIS.

9. In early 2015, FERC issued a notice that it was preparing a project-specific EIS for the proposed Mountain Valley Project in Virginia and West Virginia. The Mountain Valley Project proposes a new interstate pipeline to transport natural gas extracted from the Marcellus Shale.

a. On June 16, 2015, the Southern Environmental Law Center, Appalachian Mountain Advocates, and the Center for Biological Diversity submitted written comments to FERC recommending that FERC prepare "a single, regionally-focused EIS – a programmatic EIS – that addresses the impacts of the MVP, as well as the Atlantic Coast Pipeline, the Appalachian Connector Pipeline, and the WB Express Project, and is a comprehensive examination of the impacts of pipeline development in the Blue Ridge and Appalachia Mountain region of Virginia and West Virginia ... because of the similarity in their objectives and their routes, the alternatives analysis that FERC must evaluate for each of the four projects will significantly overlap.... Unless FERC undertakes its alternatives analysis in a single regional EIS, it runs the risk of selecting an alternative for the Mountain Valley Project that has the unanticipated effect of compounding the environmental impacts of the projects or forecloses an important alternative to the other three."[3]

b. On June 30, 2015, the project applicant, Mountain Valley Pipeline LLC, responded by letter to FERC, stating: "a programmatic EIS is not necessary or appropriate to evaluate the Project. With the exception of the Equitrans Expansion Project ... MVP and the other pipeline projects in the region are not **connected actions**. MVP is not **dependent** upon, and does not **trigger**, those other pipeline projects .... There is no basis for FERC to evaluate the environmental impacts for such fact-intensive projects in a single programmatic EIS."[4]

10. As explained in this memo, Mountain Valley Pipeline LLC's arguments are based on a misunderstanding of NEPA tiering, as well as a lack of distinction between NEPA provisions concerning connected actions and provisions concerning preparation of a programmatic EIS. When these concepts are properly understood, it is clear that FERC's preparation of a programmatic EIS for Marcellus Shale Pipelines in Greater Appalachia (*Marcellus Shale Pipelines PEIS*) is appropriate under NEPA and its implementing regulations.

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3 Letter from Southern Environmental Law Center et al. to FERC, eLibrary no. 20150617-5044 (June 16, 2015).

4 Letter from Mountain Valley Pipeline LLC to FERC, eLibrary no. 20150630-5383 (June 30, 2015).

Furthermore, given that many of the interstate Marcellus Shale natural gas pipeline applications being reviewed by FERC propose routes that traverse national forest lands, there are compelling reasons why FERC and the Forest Service should jointly prepare this *Marcellus Shale Pipelines PEIS.*

11. To date, FERC has conducted NEPA review of interstate natural gas pipeline applications in Greater Appalachia on a project-by-project basis, without the benefit of a regional programmatic EIS to inform each project review. With the recent exponential increase in applications to FERC for new interstate pipelines to transport Marcellus Shale natural gas, FERC's traditional project-by-project NEPA review has proven increasingly ineffective. Time and resources are unnecessarily spent in project-specific EISs on duplicative and inconsistent environmental assessment of regional baseline conditions, cumulative impacts, connected actions, and indirect effects; such assessment could be more efficiently and uniformly addressed in a regional programmatic EIS from which subsequent project-specific EISs could then tier. The result would be greater certainty, clarity and efficiency for pipeline project applicants and FERC staff, and greater protection of natural resources and the environment in the Greater Appalachia region.

II. NEPA Regulations and Guidance on When Use of a Programmatic EIS is Appropriate

12. The Council on Environmental Quality (CEQ) is responsible for promulgating regulations to guide federal agencies in their compliance with and implementation of NEPA. It has issued regulations that explain when a Programmatic EIS is appropriate.

a. CEQ Regulation 1502.4(c) provides: "When preparing statements on broad actions … agencies may find it useful to evaluate the proposal(s) in one of the following ways: (1) **Geographically**, including actions occurring in the **same general** location, such as body of water, **region** or metropolitan area; (2) Generically, including actions which have relevant similarities, such as **common timing, impacts**, alternatives…."[5]

b. CEQ Regulation 1502.20 provides: "Agencies are encouraged to **tier** their environmental impact statement to **eliminate repetitive discussion** of the same issue and to focus on the actual issues ripe for decision at each level of environmental review. Whenever a broad environmental impact statement has been prepared (such as a program or policy statement) and a subsequent statement or environmental assessment is then prepared on an action included within the entire program or policy (such as a site specific action) the subsequent statement or environmental assessment need only summarize the issues discussed in the broader statement and incorporate discussions from the broader statement by reference and shall concentrate on the issues specific to the subsequent action."[6]

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5 40 CFR §1502.4 (bold added).

6 40 CFR §1501.20 (bold added).

c. CEQ Regulation 1508.28provides: "Tiering refers to the coverage of general matters in **broader** environmental impact statements (such as national program or policy statements) with subsequent narrow statements or environmental analyses (such as regional or basin-wide program statements or ultimately **site-specific** statements) incorporating by reference the general discussions and concentrating solely on the issues specific to the statement subsequently prepared. Tiering is appropriate when the sequence of statements or analysis is: (a) From a program, plan, or policy environmental impact statement to a program, plan, or policy statement or analysis of a lesser scope or to **a site-specific** statement or analysis…."[7]

d. In 1981, the CEQ published a document in the federal register titled "Forty Most Asked Questions Concerning CEQ's National Environmental Policy Act Regulations." Question 24b asked: "[w]hen is an **area-wide** or overview EIS appropriate?" CEQ answered: "[t]he preparation of an **area-wide** or overview EIS may be particularly useful when **similar actions**, viewed with other reasonably foreseeable or proposed agency actions, share **common timing or geography**. For example, when a variety of **energy projects** may be located in a single watershed … the overview or area-wide EIS would serve as a valuable and necessary analysis of the affected environment and the potential cumulative impacts of the reasonably foreseeable actions … **within that geographical area**."[8]

e. Question 24c asked: "[w]hat is the function of **tiering** in such cases?"[9] CEQ answered: "[t]iering is a procedure which allows an agency to avoid duplication of paperwork through the incorporation by reference of the general discussions and relevant specific discussions from an environmental impact statement of broader scope into one of lesser scope …. In the example given in Question 24b, this would mean that an overview EIS would be prepared for all of the **energy activities reasonably foreseeable in a particular geographic area** …. This impact statement would be followed by site-specific or project-specific EISs. The tiering process would make each EIS of greater use and meaning to the public as the plan or program develops, without duplication of the analysis prepared for the previous impact statement."[10]

13. In 1983, CEQ issued *Guidance Regarding NEPA Regulations*, which explained in part:

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7 40 CFR §1508.28 (bold added).

8 46 Fed. Reg. 18026 (1981) (bold added).

9 *Id.*

10 *Id.* (bold added).

"Tiering of environmental impact statements refers to the process of addressing a **broad,** general program, policy or proposal in an initial environmental impact statement (EIS), and analyzing a narrower **site-specific** proposal related to the initial program, plan or policy in a subsequent EIS .... If tiering is utilized, the **site-specific** EIS contains a summary of the issues discussed in the first statement. Thus, the second, or **site-specific** statement, would focus primarily on the issues relevant to the specific proposal, and would not duplicate material found in the first EIS and the agency will incorporate by reference discussions from the first statement. It is difficult to understand, given this scenario, how tiering can be criticized for adding an unnecessary layer to the NEPA process; rather, it is intended to **streamline the existing process.**"[11]

14. In December 2014, CEQ issued a memorandum to the heads of all federal agencies and departments titled *Effective Use of Programmatic NEPA Reviews*, which provides:

a. "In geographic settings where **several Federal actions are likely to have effects on the same environmental resources** it may be advisable for the lead Federal agencies to provide historical or other baseline information relating to the resources. This can be done ... through a programmatic NEPA analysis ...."[12]

b. "A well-crafted programmatic NEPA review provides the basis for decisions to approve such broad or high-level decisions such as identifying geographically bounded areas within which future proposed activities can be taken or **identifying broad mitigation and conservation measures that can be applied to subsequent tiered reviews** .... Using programmatic NEPA reviews allows an agency to subsequently tier to this analysis, and analyze narrower, site- or proposal-specific issues. This **avoids repetitive broad level analyses in subsequent tiered NEPA reviews** and provides a more comprehensive picture of the consequences of multiple proposed actions."[13]

c. "A programmatic NEPA review may be appropriate when the action being considered is subject to NEPA requirements and falls into one of the four major categories of actions to which NEPA can apply .... <u>Approving Multiple Actions</u>: Decision to proceed with multiple projects that are temporally or spatially connected .... Programmatic examples include: **Several similar actions or projects in a region** or nationwide ... or [a] suite of **ongoing, proposed or reasonably foreseeable actions that share a common geography or timing,** such as multiple activities within a defined boundary...."[14]

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11 48 Fed. Reg. 34263 (1983) (bold added).

12 CEQ, *Effective Use of Programmatic NEPA Reviews* (2014), p. 9 (bold added), *available at* https://www.whitehouse.gov/administration/eop/ceq/initiatives/nepa/programmatic-reviews.

13 *Id.*, p. 10 (bold added).

14 *Id.*, p. 12 (underline in original, bold added).

d. "Alternatives in a programmatic NEPA review are expected to reflect the level of the Federal action being proposed .... In situations where there is an existing program, plan, or policy, CEQ expects that the **no-action alternative** in an EIS would typically be the **continuation of the present course of action** until a new program, plan, or policy is developed and decided upon."[15] As noted below, this approach is reflected in several of the programmatic EISs prepared in the energy/natural resource sector. In those cases the programmatic EIS analyzed the environmental effects of tiering subsequent site-specific review off a programmatic analysis versus undertaking site-specific/project-specific environmental review without tiering.

e. "[A]gencies may propose **standard mitigation protocols** and/or operating procedures in a programmatic NEPA review and thereby provide a framework and scope for the subsequent tiered analysis of environmental impacts. For example, proposals for **long range energy or transportation infrastructure** programs are potentially good candidates for PEAs and PEISs .... By identifying potential program impacts early, **particularly cumulative and indirect impacts,** programmatic NEPA reviews provide opportunities to modify program components in order to avoid or mitigate adverse impacts when developing subsequent proposals."[16]

III. Distinguishing "Connected Actions" from "Tiering" under NEPA

15. Separate and distinct from the NEPA provisions relating to "tiering" and the use of programmatic EISs, there are other CEQ Regulations that pertain to "**connected actions**." These are actions that are "closely related and therefore should be discussed in the same impact statements ... Actions are connected if they: (i) **Automatically trigger** other actions which may require environmental impact statements; (ii) Cannot or will not proceed unless other actions are taken previously or simultaneously; (iii) Are **interdependent parts** of a larger action and **depend** on the larger action for their justification."[17]

a. Regulation 1508.25(c) makes no mention of programmatic EISs, and more specifically does not indicate that a programmatic EIS is only appropriate when connected actions are involved. Rather, CEQ Regulation 1508.25 simply clarifies that when connected actions are involved, the EIS needs to acknowledge this in some fashion. This could be accomplished, for instance, by expanding the project description for a site-specific EIS to include all of the connected actions. This could also be accomplished by analyzing the impacts of these connected actions in a single site-specific EIS either as cumulative impacts or as indirect impacts.

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15 *Id.*, pp. 21-22 (bold added).

16 *Id.*, p. 23 (bold added).

17 40 CFR § 1508.25(c) (bold added).

b. As discussed above (*see* ¶ 9b), Mountain Valley Pipeline LLC urged FERC not to prepare a programmatic EIS because the Mountain Valley Project and other pending projects were not connected actions.[18] Even if this characterization were true, it is not controlling for purposes of determining whether a programmatic EIS is appropriate to address common environmental issues affecting multiple interstate pipeline proposals in the same region. Further, it does not support the applicant's claim that FERC's preparation of a programmatic EIS under these circumstances would be improper.

c. Further, Mountain Valley Pipeline's concerns regarding the "evaluation of **fact-intensive projects** in a single programmatic EIS" reveals a misunderstanding of how NEPA tiering works. The fact-intensive environmental analysis of project-specific/site-specific pipeline projects would be done in the subsequent EISs that tier off of the programmatic EIS, not in the programmatic EIS itself. This confusion may relate back to the applicant not distinguishing between connected actions and tiering under NEPA.

16. NEPA requires that all EISs, whether programmatic or project-specific, include analysis of any connected actions and cumulative impacts.[19] However, the existence of connected actions or cumulative impacts is often relied upon by federal agencies as a primary reason for preparation of a programmatic EIS because it avoids undertaking duplicative analysis for each project-specific EIS.

IV. <u>Precedent for Use of Programmatic EISs in Energy and Natural Resources Sector</u>

17. Based on our review, FERC has not previously prepared programmatic EISs for multiple pipeline projects in the same geographic region. However other federal agencies (including the Forest Service) have used programmatic EISs to streamline environmental analysis for multiple energy and/or natural resource projects proposed for the same geographic region in other circumstances.

18. In November 2008, the U.S. Department of Energy and the U.S. Department of the Interior prepared a final *Programmatic Environmental Impact Statement on Designation of Energy Corridors on Federal Land in the 11 Western States.*[20] The purpose of the energy corridor designation was to streamline agency review and ensure consistency in applications to construct oil and natural gas pipelines in Arizona, California, Colorado, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington and Wyoming. More specifically, the proposed energy corridor designation process would identify appropriate areas for the siting of

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[18] June 30, 2105 Letter to FERC from Mountain Valley Pipeline LLC Re Mountain Valley Pipeline Project. (bold added).

[19] "Cumulative impact is the impact on the environment which results from the incremental impact of the action when added to other past, present, and reasonably foreseeable future actions regardless of what agency (Federal or non-Federal) or person undertakes such other actions. Cumulative impacts can result from individually minor but collectively significant actions taking place over a period of time." 40 C.F.R. § 1508.7

[20] DOE/EIS-0386, *available at* <u>http://corridoreis.anl.gov/eis/guide/index.cfm#vol1</u>.

oil and natural gas pipelines due to concerns regarding adverse impacts on wildlife, endangered species, water quality, scenic, and cultural/historical resources.

a. The *Western Energy Corridors PEIS* explained: "Information presented in this PEIS would be used to assist in developing the guidance by … providing information that can be used to tier to site-specific environmental reviews."[21] It added that, "[b]y analyzing and presenting project-related impacts from future actions, the PEIS provides invaluable information for future site-specific environmental reviews."[22]

b. The *Western Energy Corridors PEIS* compared the proposed action (energy corridor designations) to the "No Action Alternative" and found as follows: "Under the No Action Alternative, there would be no designation of energy corridors on federal lands in the West, and the siting and development of future energy transport projects would continue following existing federal authority and agency-specific permitting practices …. ROWs [Right-of-Ways] would similarly be conducted on a project-by-project and agency-by-agency basis, and there would be **no assurance of consistency** in siting or evaluation of proposed energy transport projects crossing federal lands.[23] By contrast, "**[c]orridor designation would likely reduce the proliferation of ROWs across the landscape, and concentrate development to some extent within the corridors** … [and would provide] both **streamlined** administrative procedures and best practices for environmental compliance and protection."[24]

c. The rationale provided for the *Western Energy Corridors PEIS* was not that the designated oil and natural gas pipeline corridor or exclusion areas constituted connected actions, or that the individual oil and gas pipeline projects proposed in the several states constituted connected actions under NEPA. Rather, the rationale was that environmental review of site-specific oil and natural gas pipeline projects that tiered off of the *Western Energy Corridors PEIS* would be streamlined and likely result in better planning and a reduction in the proliferation of pipeline ROWs across the landscape in the region (by concentrating additional pipelines in pre-designated corridors).

19. In 2012, the U.S. Department of the Interior and the U.S. Bureau of Land Management prepared a final *Programmatic Environmental Impact Statement for Solar Energy Development in Six Southwestern States*.[25] The proposed action evaluated in this programmatic

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21 *Id.*, p. S-6.

22 *Id.*, p. S-11.

23 *Id.*, p. S-17.

24 *Id.*, p. S-25.

25 FES 12-24; DOE/EIS-0403, *available at* http://solareis.anl.gov/documents/fpeis/.

EIS included the following: establish an initial set of 17 "Solar Energy Zones" on 285,000 acres across the states of Arizona, California, Colorado, Nevada, New Mexico and Utah; protect natural and cultural resources by excluding 78.6 million acres from solar energy development (through creation of "Right-of-Way Exclusion Areas"); and establish a framework for mitigation plans to offset anticipated environmental impacts in this region from solar development.

a. The Executive Summary to the *Western Solar PEIS* explained how subsequent site specific project EISs would tier off of the document: "[t]he Solar PEIS will not eliminate the need for site-specific environmental reviews for future utility-scale solar energy development projects.... The BLM will make separate decision as to whether or not to authorize individual solar energy projects...."[26]

b. In the alternatives section of the *Western Solar PEIS*, the proposed action was compared against the "no action" alternative of the U.S. Department of the Interior and U.S. Bureau of Land Management processing applications for utility-scale solar projects without the framework provided by the proposed action (*e.g.*, without the designation of the 17 Solar Energy Zones, without designation of the Right-of-Way Exclusion Area, without standard criteria for regional mitigation plans).

c. The environmental analysis in the programmatic EIS found that the proposed action would enable the agencies to process applications for site-specific utility-scale solar projects in these six western states in a more streamlined manner that was likely to result in improved protection of natural resources and the environment over the current practice of processing such applications in the absence of these broader plans and policies.

d. The rationale provided for preparation of this programmatic EIS did not rely on the existence of connected actions. Rather, the rationale was that the programmatic EIS would result in less duplicative environmental analysis of baseline conditions and cumulative/indirect impacts in subsequent project-specific EISs and more consistent and environmentally-protective siting decisions and mitigation policies.

20. In March 2013, the U.S. Department of Energy, federal Western Area Power Administration, the U.S. Department of the Interior and U.S. Fish and Wildlife Service jointly prepared a final *Upper Great Plains Wind Energy Programmatic Environmental Impact Statement*.[27] The document covered wind energy development projects in the Upper Great Plains Customer Service Region of the Western Area Power Administration, which encompasses all or parts of the states of Iowa, Minnesota, Montana, Nebraska, North Dakota and South Dakota.

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26 *Id.*, p. 1-17.

27 DOE/EIS-0408, *available at* http://plainswindeis.anl.gov/documents/index.cfm.

a. The *Upper Great Plains Wind PEIS* stated that, "[t]he proposed action is for Western [Western Area Power Administration] and the USFWS to streamline the environmental reviews for wind energy projects that will interconnect to Western's transmission facilities or that would require consideration of an easement exchange to accommodate wind energy development that may affect easements managed by the USFWS. Under the proposed action, the agencies would identify **standardized environmental evaluation procedures, BMPs [best management practices], and mitigation measures** that would be applied to wind energy projects requesting interconnections or easement exchanges."[28]

b. Of particular significance in terms of FERC's review of proposed natural gas pipelines that would be located on private/non-federal lands, the scope of the *Upper Great Plains Wind PEIS* was **not** limited to the siting of wind energy projects and transmission infrastructure on federal lands. This is because one of the lead federal NEPA agencies for the *Upper Great Plains Wind PEIS*, the Western Area Power Administration, had eminent domain authority to obtain easements on behalf of private utilities for power transmission facilities located on private/non-federal lands. The *Upper Great Plains Wind PEIS* therefore was also intended to establish standardized environmental evaluation procedures and BMPs for the Western Area Power Administration's review of applications for the agency to exercise its eminent domain authority to secure easements on private/non-federal land.

c. The approach taken with the *Upper Great Plains Wind PEIS* (in which the Western Area Power Administration jointly prepared the programmatic EIS with the Department of Interior that owned lands where wind energy infrastructure would be located) is therefore similar to the approach we have suggested for the *Marcellus Shale Pipelines PEIS* (in which FERC would jointly prepare the programmatic EIS with the Forest Service).

d. With regard to the use of federal eminent domain powers to obtain easements on private/non-federal land, the *Upper Great Plains Wind PEIS* states: "[p]roject developers seeking to place wind energy facilities on easements managed by the USFWS shall consult with appropriate Federal, State and local agencies regarding specific projects as early in the planning process as appropriate .... Easements or portions of easements may be excluded from wind energy development on the basis of findings of unacceptable resource impacts that conflict with existing and planned conservation needs and/or cannot be suitably avoided or mitigated."[29]

e. The *Upper Great Plains Wind PEIS* stated that the benefits of the proposed action included, "[c]onsistency of the application and authorization process. Implementation of the proposed **standardized environmental review**

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28 *Id.*, p. ES-3 (bold added).

29 *Id*, p. ES-9.

procedures, BMPs, and mitigation measures would result in **greater consistency and efficiency** in the environmental reviews of applications for wind energy interconnections and for the environmental evaluation of requests for easement exchange to accommodate wind energy development on easements lands."[30]

f. The proposed action was compared against the No Action Alternative. The Executive Summary for the *Upper Great Plains Wind PEIS* explained, "[u]nder the No Action Alternative, requests for interconnection of wind energy projects to Western's transmission systems would be processed, reviewed and evaluated in the current manner ... [¶] NEPA analyses would be prepared by each agency, as appropriate, on a project-by-project basis and BMPs, mitigation measures and monitoring requirements would be developed on a case-by-case basis only."[31]

g. In its discussion of the No Action Alternative, the *Upper Great Plains Wind PEIS* found: "Western and the Service would not establish programmatic environmental evaluation procedures for wind energy development projects under the No Action Alternative ... future wind energy projects would continue to be evaluated solely on an individual, case-by-case-basis, and there would be no programmatic process for environmental reviews ....[¶] Compared to the various alternatives for accomplishing the proposed action, the absence of a standardized environmental process for wind energy projects would likely result in a slower rate of interconnection of wind energy developments to Western's transmission system and evaluations and approvals for easement exchanges to accommodate wind energy facilities that may affect USFWS easements."[32] It further stated, "[t]he **potential adverse impacts on natural and cultural resources associated with the No Action Alternative could be greater** than under Alternatives 1 and 2 if effective BMPs and mitigation measures are not applied to individual projects .... The absence of a standardized programmatic process for environmental reviews of wind energy projects ... could result in **inconsistencies** in the types of BMPs and mitigation measures required for individual projects."[33]

h. The rationale provided for preparation of the *Upper Great Plains Wind PEIS* was not that standardized environmental BMPs and mitigation measures for wind energy projects in the region constituted connected actions under NEPA, or that all of the individual wind energy projects proposed in the various states constituted connected actions under NEPA. Rather, the rationale was that environmental review of site-specific wind energy projects that tiered off of the *Upper Great Plains Wind PEIS* would be streamlined and less duplicative, and

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30 *Id.*, p. 2-11 (italics in original, bold added).

31 *Id.*, p. ES-46.

32 *Id.*

33 *Id.* (bold added).

would likely result in more uniform environmental BMP and mitigation measure policies on site-specific wind energy project applications in this region.

i. On September 17, 2015, the Southern Environmental Law Center submitted a letter to the Forest Service recommending that the Forest Service prepare a programmatic EIS to address the siting of pipelines across national forest lands in Appalachia.[34] This recommendation highlights why, under the circumstances, a NEPA programmatic EIS to address Marcellus Shale pipelines should be prepared jointly by FERC and the Forest Service. This type of multi-federal agency programmatic EIS would be similar to the approach taken with the *Upper Great Plans Wind PEIS*, where the NEPA lead agencies included the Western Area Power Administration (which approves transmission lines across private/non-federal lands in much the same way as FERC approves interstate pipelines across non-federal lands) and the Department of the Interior (on whose lands some of the proposed wind energy generation facilities transmission lines would be located).

21. In 2004, the Forest Service prepared a programmatic EIS for the review of the proposed Sierra Nevada Forest Plan. The *Sierra Nevada Forest Plan PEIS* applied to 11 national forests that stretched from Southern California to the California-Oregon border.[35]

a. The purposes of the Sierra Nevada Forest Plan included establishing limits of the total amount of timber (measured in board feet) to be logged in these 11 national forests, establishing limits on the total amount of new and reconstructed logging roads (measured in miles) allowed in the forests, and adopting uniform set-back criteria for logging proposed near streams, creeks and rivers. More specifically, the Sierra Nevada Forest Plan analyzed in the programmatic EIS set a collective cap of 90 million annual board feet of timber, and set a collective cap of 115 miles for new logging roads and 655 miles for the reconstruction of existing logging roads, for these 11 national forests.

b. The adoption of a regional cap on the mileage of new logging roads and reconstruction of existing logging roads required the Forest Service to engage in better strategic planning and coordination in its review and approval of such roads (*e.g.*, identifying roads that could serve multiple logging sites rather approving separate roads to serve each separate logging site; *e.g.* more careful examination of whether an existing road could be repaired versus approval of construction of an entirely new road).

c. The rationale provided for preparation of the *Sierra Nevada Forest Plan PEIS* was not that the timber board feet caps, logging road mileage caps, or consistent

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34 Letter from the Southern Environmental Law Center to H. Thomas Speaks Jr., Forest Supervisor for the George Washington and Jefferson National Forests (Sept. 17, 2015).

35 Discussed in *Pacific Rivers Council v. United States Forest Service*, 689 F.3d 1012 (9th 2012), *vacated by* 133 S. Ct. 2843 (2013).

stream set-back criteria constituted connected actions under NEPA, or that individual logging projects proposed in these 11 national forests in the region constituted connected actions. Rather, the rationale was that environmental review of site-specific logging projects that tiered off of the *Sierra Nevada Forest Plan PEIS* would be streamlined and less duplicative, and would likely result in more uniform stream protection and forest protection policies on site-specific logging project applications.

V. NEPA Law and Federal Agency Practice Supports FERC's and the Forest Service's Use of a Programmatic EIS for Review of Interstate Pipelines to Transport Marcellus Shale Natural Gas

22. As noted above (*see* ¶ 5), the construction of new FERC-approved interstate pipelines to transport Marcellus Shale natural gas in Greater Appalachia will have numerous environmental impacts, and some of these FERC-approved interstate pipelines are proposed along routes that would traverse national forests lands subject to the Forest Service's jurisdiction.

23. As also noted above (*see* ¶ 6), the Greater Appalachia region where the Marcellus Shale natural gas development is taking place and where new related interstate natural gas pipelines are being proposed has unique characteristics and resources.

24. To better evaluate and address the significant environmental impacts on these unique resources, FERC and the Forest Service should jointly prepare a *Marcellus Shale Pipelines PEIS.*

25. As explained by CEQ, a programmatic EIS would provide functional benefits to FERC, the Forest Service and other regulatory agencies, which would contribute to streamlined and more consistent NEPA review of pipeline projects and better environmental outcomes. The scope of FERC and the Forest Service's *Marcellus Shale Pipeline PEIS* should address:

a. Characterization of baseline conditions based on construction of previous interstate and gathering pipelines to transport Marcellus Shale natural gas in the region, as well as characterization of baseline conditions based on the previous construction of specific natural gas pipelines in the region's national forests (to avoid duplicative analysis of this information in subsequent pipeline project-specific EISs);

b. Assessment of cumulative environmental impacts of previous and reasonably anticipated interstate and gathering pipelines to transport Marcellus Shale natural gas in the region, as well as assessment of cumulative impacts of pipelines on Forest Service lands in the region (to avoid duplication in subsequent pipeline project-specific EISs);

c. Development of a uniform methodology for assessment "indirect impacts" and "connected actions" associated with proposed interstate natural gas pipelines (*e.g.*, the gathering lines that would be constructed to transport natural gas from new well-heads to the new interstate pipelines);

d. Designation of specific areas/corridors in Greater Appalachia and Forest Service lands where siting of new Marcellus Shale natural gas pipelines would be inappropriate due to environmental concerns (such as threats to contamination of drinking water supplies), and/or the development of regionally specific criteria and procedures to be applied to site-specific natural gas pipeline applications for FERC to determine whether proposed routes of new pipelines across private/non-federal lands (and for the Forest Service to determine whether proposed routes across national forest lands) are inappropriate due to environmental concerns;

e. Development of uniform procedures/criteria for FERC, preferably in cooperation with the Army Corps, to evaluate and mitigate risks to waterways in Greater Appalachia that would be crossed by proposed new Marcellus Shale natural gas pipelines;

f. Establishing appropriate regional caps on the total amount of additional interstate pipeline capacity needed in Greater Appalachia to transport natural gas and/or on the total amount of additional interstate pipeline capacity to be permitted on Forest Service lands in the region; and

g. Development of uniform criteria for FERC and the Forest Service to evaluate and mitigate risks to wildlife and viewsheds/scenic resources in Greater Appalachia (and national forests in the region) that could be adversely impacted by proposed new Marcellus Shale natural gas pipelines.

26. FERC's preparation of a *Marcellus Shale Pipelines PEIS* would be consistent with CEQ Regulations, guidance, and precedent.

a. It would be consistent with CEQ Regulations 1502.4(c), 1502.20, 1508.25, and 1508.28 in that it would focus on actions occurring in a particular geographical region with common environmental impacts and would reduce repetitive discussion of baseline conditions, cumulative impacts, and indirect impacts in project specific EISs.

b. It would be consistent with the 1983 *CEQ Guidance Regarding NEPA Regulations* and 2014 *CEQ Memorandum on Effective Use of Programmatic EISs under NEPA* in that it would avoid duplication of information/analysis in subsequent project-specific EISs, it would address multiple federal actions in a defined geographic region that are likely to have effects on similar environmental resources, and would help identify broad and consistent mitigation and conservation measures that could be applied in subsequent tiered NEPA reviews.

c. It would be consistent with and analogous to 2008 *Western Energy Corridors PEIS* and 2012 *Western Solar PEIS* in that it would likely result in a reduction in the proliferation of Marcellus Shale natural gas interstate pipelines across the landscape of Greater Appalachia by regionally designating "exclusion areas" (or perhaps "non-preferred areas") where the siting of such pipelines would generally be considered inappropriate due to environmental concerns.

d. It would be consistent with and analogous to 2013 *Upper Great Plains Wind PEIS* in that it would establish standardized environmental evaluation procedures and mitigation measures that FERC and the Forest Service would then use in subsequent project-specific EISs for particular pipeline projects, resulting in more uniform/consistent decision-making at the project level and greater efficiency for Marcellus Shale natural gas pipeline project applicants throughout the Greater Appalachia region. This could include the development of appropriate regional criteria and procedures to determine whether proposed routes for pipelines across private/non-federal lands and Forest Service lands are inappropriate due to environmental impacts.[36]

e. It would be consistent with and analogous to the 2004 *Sierra Nevada Forest Plan PEIS* in that it would establish caps on the total regional amount of additional interstate pipeline capacity needed in Greater Appalachia to transport Marcellus Shale natural gas. This would enable FERC and the Forest Service to better coordinate and plan new pipelines across the region rather than the current practice of assuming the need for additional capacity based on the representations made in the applications for each site-specific pipeline project (in the same way that the *Sierra Nevada Forest Plan PEIS* led the Forest Service to better coordinate and plan new logging roads across a multi-state region in reference to a regional mileage cap on new logging roads).

f. It would be consistent with and analogous to the United States Environmental Protection Agency's 2005 preparation of a programmatic EIS on Mountaintop Coal Mining in Appalachia (*Mountaintop Mining PEIS*).[37] Much like FERC's approval of interstate pipelines on private/non-federal lands, the Environmental Protection Agency has regulatory authority over mountaintop coal mining activities that take place on private/non-federal lands. Through the use of the *Mountaintop Mining PEIS* for Appalachia, the Environmental Protection Agency was able to adopt uniform environmental review and mitigation measures for

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[36] It should be noted that some of the federal agency programmatic EISs discussed in this memo focused on energy and natural resource projects that would be located primarily on federal lands, and therefore often involved federal agency land use/zoning decisions concerning the designation of certain federal lands where the siting of such energy and natural resource projects would generally be inappropriate due to environmental impacts. This type of direct programmatic regional zoning on federal lands may not be applicable in the case of FERC's review and approval of interstate natural gas pipelines because such pipelines will generally be located on private/non-federal lands. However, as discussed above in the context of the *Upper Great Plains Wind PEIS* and the Western Area Power Administration's eminent domain authority to obtain easements for transmission lines across private/non-federal lands, there can still be important advantages and benefits to uniform, regionally-tailored criteria and procedures regardless of land ownership.

[37] EPA Region 3 (Philadelphia, PA), EPA-9-03-R-05002, *available at* http://www3.epa.gov/region03/mtntop/#eis.

mountaintop mining throughout the region, and set forth baseline environmental conditions for the region in a single programmatic EIS that could later be tiered off of in subsequent site-specific EISs for particular proposed mountaintop mining activities.

27. For all of the reasons stated above, existing NEPA law and non-FERC federal agency practice in the energy and natural resources sector – by such agencies as Western Area Power Administration, Environmental Protection Agency, Forest Service, Bureau of Land Management, Department of Energy, and Department of Interior – support FERC and the Forest Service's joint preparation of a *Marcellus Shale Pipelines PEIS*. FERC and the Forest Service's joint preparation of a programmatic EIS along these lines would improve efficiency and reduce uncertainty for pipeline project applicants in the region while simultaneously reducing the adverse environmental effects of such pipeline projects.

28. Pursuant to the "tiering" approach recommended in CEQ regulations, the preparation of a *Marcellus Shale Pipelines PEIS* by FERC and the Forest Service would not be a substitute for project-specific NEPA review of particular pipeline projects. Rather, the proposed *Marcellus Share Pipelines PEIS* would establish a uniform set of regional analysis, data and mitigation approaches that would improve and streamline such project level NEPA review by FERC, the Forest Service, and other agencies with permitting authority over pipeline projects.

11

THE LAW OFFICES OF

RAINE & PERDUE, P.L.C.

PERDUE - MONTGOMERY BUILDING
245 SOUTH MAIN STREET
ROCKY MOUNT, VIRGINIA 24151

MICHAUX RAINE III (1936-2010)
C. HOLLAND PERDUE III

(540) 483-9269
FAX (540) 483-0828
cperduelaw@jetbroadband.com

November 10, 2015

Re: Comments regarding James W. Elliott

It is my understanding that James Elliott's position was to be "re-bid" or discussion was to be had concerning his position as attorney for the Board of Supervisors regarding tax sales.

Mr. Elliott is charging $2,500.00+ attorney fees per parcel he sales. Further, he is charging $2,500.00 (although this is negotiable at HIS discretion) attorney fees to settle a case before it is sold. (In the case I dealt with him recently, he kindly offered to lower the fee to $2,100.00.)

Elliott's contract calls for a minimum of $750.00 for a completed sale and $450.00 minimum for properties not sold.

Elliott acts as an extension of the Board of Supervisors. Further, these "fees" are holding the taxpayers hostage. Through the Freedom of Information Act request, we have determined that the Board of Supervisors has no knowledge of Mr. Elliott's conduct or fees. Further, Treasurer Susan Wray (who has alleged she decides who holds this job) does not monitor the sales price during tax sales or attorney fees charged by Mr. Elliott.

Attached are the following documents for your review:

1. 2015 letter to my office showing the attorney's fees to settle the case are $2,500.00 (back taxes, court costs and fees $2,526.28)
2. 2009 Final Decree awarding Elliott $2,575.00 in attorney fees (back taxes $3,240.64).
3. 2009 Final Decree awarding Elliott $2.575.00 in attorney fees (back taxes $984.21).
4. 2013 Final Decree awarding Elliott $2,775.00 in attorney fees (back taxes $4,143.49).
5. 2015 Court Notes awarding Elliott $20,739.59 in attorney fees (back taxes $3,275.87).(I would note this is not a typographical error).

As Mrs. Wray informed me, she decides who holds the position Mr. Elliott currently occupies and she is not inclined to change Mr. Elliott from this position if it were to be re-bid. Mr. Elliott does not act on behalf of the Treasurer, he acts on behalf of the Board of Supervisors.

I have dealt with Mr. Elliott on two cases, neither of which was pleasant. One resulted in a family not being able to pay Elliott's $2,500.00 fee and losing the property (although they had the money to pay the back taxes and court fees and offered $600.00 to Mr. Elliott). The other is the case the Board reviewed prior where Mr. Elliott told the Court no claim had been made on monies in the General Receiver, which simply put - was a lie.

I urge you all to look into this matter. There are many competent and willing LOCAL attorney's willing to do this work.

C. Holland Perdue III

JAMES W. ELLIOTT
ATTORNEY AT LAW
7100 GEORGE WASHINGTON MEMORIAL HIGHWAY
YORKTOWN, VIRGINIA 23692

REPLY TO:
POST OFFICE BOX 1410
YORKTOWN, VA 23692

TELEPHONE
(757) 898-7000
FACSIMILE
(757) 890-2826

November 4, 2015

C. Holland Perdue, III, Esquire
By fax: (540) 483-0828

Re: The Board of Supervisors of
Franklin County, Virginia
vs.
Jewell P. Maxwell, et als
Civil Case No. 15-566

Dear Mr. Perdue:

Please be advised the amount due in reference to the above-referenced matter is $ 5,026.28 as itemized below:

<u>Tax Map Number 090 00-071 03</u>

Delinquent real estate taxes	$ 1,964.17
Advertising fee	18.60
Attorney's fee	2,500.00
Service fees	36.00
Guardian ad Litem	400.00
Auction advertisement	65.51
Lis Pendens	42.00
TOTAL	$ 5,026.28

In order to redeem this property, this amount must be received no later than 5:00 p.m. on Wednesday, November 4, 2015 by either a **wire transfer** or a **cashier's or certified check.** If not paid by 5:00 p.m. on November 4, 2015, this property will be offered for sale at the auction scheduled for Thursday, November 5, 2015.

Please forward payment to:
James W. Elliott, Esquire
7100 George Washington Memorial Highway, Bldg. A
P. O. Box 1410
Yorktown, VA 23692

Please contact my office if you have any questions.

Cordially yours,
James W. Elliott
James W. Elliott

JWE/vjl

VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF FRANKLIN

BK 0979 PG 01737

THE BOARD OF SUPERVISORS OF
FRANKLIN COUNTY, VIRGINIA

Plaintiff

vs. CIVIL CASE NO. 09-3574

JACK A. HOLMES
SMITH MOUNTAIN BUILDING SUPPLY, INC.
ROCKY MOUNT SUPPLY CO.
CARILION FRANKLIN MEMORIAL HOSPITAL, INC.

Defendants

FINAL DECREE

THIS CAUSE came on this day to be heard again on the papers formerly read and upon the Final Report of James W. Elliott, Special Commissioner, and was argued by counsel.

UPON CONSIDERATION WHEREOF, and it appearing to the Court that the sum of $10,500.00 has been deposited to the credit of the Clerk of the Circuit Court for the County of Franklin in this cause,

It is ADJUDGED, ORDERED and DECREED that the Clerk of the Circuit Court for the County of Franklin be, and hereby is, authorized to issue checks upon the funds on deposit in this cause, and that she shall draw said checks to the proper persons in the amounts set forth opposite their names as follows:

Lynda F. Messenger, Treasurer	$3,240.64
Wendell B. Sparrer, Appraiser	400.00
Leppa & Oliger, Stenographers	90.00
George I. Vogel, Counsel for Smith Mountain Building Supply, Inc.	4,194.36
James W. Elliott, Special Commissioner	2,575.00
Balance to be deposited by the Clerk of the Circuit Court for the County of Franklin, Virginia, pursuant to Section 58.1-3967 of the Code of Virginia in an interest bearing account in accordance with Section 8.01-600 of the Code of Virginia, such funds to be held until further Order by this Court.	0.00
Total	$10,500.00

10 MAY 17 2:46

RECEIVED & FILED 2010 MAY 13 PM 12:54
CLERK OF CIRCUIT COURT FRANKLIN COUNTY
TERESA J. BROWN, CLERK

100003412

5/13/10 scan JWE GIV LFM GST Land Rec

It is further ORDERED that the judgment recorded in favor of Smith Mountain Building Supply, Inc., recorded in the Clerk's Office of the Circuit Court for the County of Franklin, Virginia, in Judgment Book 45, at page 539 is hereby removed as a lien on the real estate pursuant to the provisions of Section 58.1-3967 of the Code of Virginia.

It is further ORDERED that the judgment recorded in favor of Rocky Mount Supply, Inc., recorded in the Clerk's Office of the Circuit Court for the County of Franklin, Virginia, in Judgment Book 46, at page 450 is hereby removed as a lien on the real estate pursuant to the provisions of Section 58.1-3967 of the Code of Virginia.

It is further ORDERED that the judgment recorded in favor of Carilion Franklin Medical Hospital, Inc., successor to Franklin Memorial Hospital, recorded in the Clerk's Office of the Circuit Court for the County of Franklin, Virginia, in Judgment Book 46, at page 481 is hereby removed as a lien on the real estate pursuant to the provisions of Section 58.1-3967 of the Code of Virginia.

And this cause is removed from the docket.

ENTER: This 13th day of May, 2010.

Judge

I ask for this:

p.q.
JAMES W. ELLIOTT

Have seen:

GEORGE I. VOGEL, III, Counsel for
Smith Mountain Building Supply, Inc.

VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF FRANKLIN

THE BOARD OF SUPERVISORS OF
FRANKLIN COUNTY, VIRGINIA

Plaintiff

vs. CIVIL CASE NO. 09-3539

MELISHA DAWN NELSON

Defendant

FINAL DECREE

THIS CAUSE came on this day to be again heard upon papers formerly read and upon the Final Report of James W. Elliott, Special Commissioner, and was argued by counsel.

UPON CONSIDERATION WHEREOF, and it appearing to the Court that the sum of $10,100.00 has been deposited to the credit of the Special Commissioner in this cause,

It is ADJUDGED, ORDERED and DECREED that the Special Commissioner be, and hereby is, authorized to issue checks upon the funds on deposit in this cause, and that she shall draw said checks to the proper persons in the amounts set forth opposite their names as follows:

RECEIVED & FILED
2011 MAY -9 AM 8:13
FRANKLIN COUNTY
CLERK OF CIRCUIT COURT
TERESA J. BROWN, CLERK

Lynda F. Messenger, Treasurer	$984.21
Wendell B. Sparrer, appraisal	400.00
Leppa & Oliger, Stenographers	90.00
James W. Elliott, Special Commissioner	2,575.00
Balance to be deposited by the Clerk of the Circuit Court for the County of Franklin, Virginia, pursuant to Section 58.1-3967 of the Code of Virginia, in an interest bearing account, such funds to be held until further Order of this Court.	6,050.79
Total	$10,100.00

5/9/11
scan
JWE
LM
MT

And this cause is removed from the docket.

ENTER: This 5th day of May, 2011.

William N. Devanda[illegible]

Judge

I ask for this:

[illegible] p.q.

JAMES W. ELLIOTT

VIRGINIA: IN THE CIRCUIT COURT FOR THE COUNTY OF FRANKLIN

THE BOARD OF SUPERVISORS OF
FRANKLIN COUNTY, VIRGINIA

Plaintiff

vs. CIVIL CASE NO. 13-9432

LARRY D. SHELOR
L. SALLY SHELOR
CARILION MEDICAL CENTER
dba CARILION ROANOKE MEMORIAL HOSPITAL
ANESTHESIOLOGY CONSULTANTS OF VIRGINIA, INC.

Defendants

FINAL DECREE

THIS CAUSE came on this day to be again heard upon papers formerly read and upon the Final Report of James W. Elliott, Special Commissioner, and was argued by counsel.

UPON CONSIDERATION WHEREOF, and it appearing to the Court that the sum of $18,000.00 has been deposited to the credit of the Special Commissioner in this cause,

It is ADJUDGED, ORDERED and DECREED that the Special Commissioner be, and hereby is, authorized to issue checks upon the funds on deposit in this cause, and that he shall draw said checks to the proper persons in the amounts set forth opposite their names as follows:

Susan J. Wray, Treasurer	$4,143.49
Melissa P. Keen, Guardian ad Litem	450.00
James W. Elliott, Special Commissioner	2,775.00
Balance to be held by the General Receiver for the County of Franklin, Virginia, pursuant to Section 58.1-3967 of the Code of Virginia.	10,631.51
Total	$18,000.00

7-14-14
cm
JWE
MK
JLD
SJW

It is further ORDERED that the judgment recorded in favor of Carilion Medical Center dba Roanoke Memorial Hospital, recorded against Larry David Shelor, recorded in the Clerk's Office of the Circuit Court for the County of Franklin, Virginia, as Instrument number 100000263, is hereby removed as a lien on the real estate pursuant to the provisions of Section 58.1-3967 of the Code of Virginia.

It is further ORDERED that the judgment recorded in favor of Anesthesiology Consultants of Virginia, Inc., recorded against Larry D. Shelor, recorded in the Clerk's Office of the Circuit Court for the County of Franklin, Virginia, as Instrument number 100001678, is hereby removed as a lien on the real estate pursuant to the provisions of Section 58.1-3967 of the Code of Virginia.

And this cause is removed from the docket.

ENTER: This 11th day of July, 2014.

Judge

I ask for this:

p.q.
JAMES W. ELLIOTT

Have seen:

MELISSA P. KEEN, Guardian ad Litem

DATE 8/6/15 JUDGE SWN CASE 12-7747
11-6202-01

PLAINTIFF FC Board of Supervisors ATTY Elliott

DEFENDANT William Fisher et al ATTY Bentley R / A

GAL:

TRIAL JURY MOTION JAPL GDAPL PROB REV BOND SC

PEND LITE DIV ADOPT OLP SETTLEMENT DJ SJ GUARD/CONSERV REVIEW

OTHER: COURT REPORTER:

PLAINTIFF WITNESSES Taxes owed $3275.87

DEFENDANT WITNESSES

PLAINTIFF EXHIBITS

#1 Delinquent Tax Time Sheet
#2 Delinquent Tax Time Sheet
#3 Letter
#4 Orders

DEFENDANT EXHIBITS

#1 Response

$2500 x 8 = $20,000
+ $739.59 + OPUB + Costs from CC
+
$20,739.59 atty fees + costs

SEE REVERSE:

CMS UPDATE: HOP TOP ROP OP DATE:

JWE TO PREPARE ORDER CMS UPDATE:

VIRGINIA: IN THE CIRCUIT COURT FOR FRANKLIN COUNTY

BOARD SUPERVISORS FRANKLIN COUNTY
trading as Franklin County Board of Supervisors

Plaintiff,

v. Civil Action No.: CL12007747-00

WILLIAM L. FISHER, et al.

Defendants.

MOTION TO DETERMINE REASONABLENESS OF ATTORNEY'S FEES

NOW COMES THE DEFENDANT, ROBERT SWOFFORD (**"Swofford"**), by counsel, on his Motion and in support thereof states the following:

1. In 2011, William L. Fisher (**"Fisher"**) filed a civil action in the Franklin County Circuit Court, Civil Action No.: 11-6326-00 (**"2011 Civil Action"**), against Clyde Purdue, Substitute Trustee, seeking to enjoin a pending foreclosure sale of certain real property in Franklin County comprised of eight adjoining parcels of real estate, bearing Parcel ID numbers 116001200, 1160100100, 116010200, 1160100300, 116010400, 116010500, 116010600, and 1160100700, and having Tax Map Nos. 116.1, 116.1-2 through 116.1-7, and 116.12 (the **"Franklin Property"**). On information and belief, Fisher nonsuited the 2011 Civil Action.

2. The tax-assessed value of parcels bearing Tax Map Nos. 116.1-2 through 116.1-7 is $1,500 per parcel. The tax assessed value of the parcel bearing Tax Map No. 116.1is $30,300. The tax assessed value of the parcel bearing Tax Map No. 116.12 is $17,000. The combined tax assessed value for all eight parcels is $56,300.

3. Swofford is the holder of two promissory notes made by Fisher. The first promissory note, dated June 28, 2007, is in the principal amount of $70,000, and has an

outstanding balance of $198,961.06 as of June 3, 2014. The second promissory note, dated November 10, 2008, is in the principal amount of $114,705.13 has an outstanding balance of $145,958.13 as of June 3, 2014. The promissory notes are secured by first and second lien deeds of trust on the Franklin Property; which are subordinate only to the Franklin County tax liens.

4. On September 12, 2012, Plaintiff (the "**Franklin County Board of Supervisors**") filed this action, by and through its attorney James W. Elliott ("**Elliott**"), seeking permission to sell one of eight parcels of the Franklin Property to pay delinquent real estate taxes owed to Plaintiff[1].

5. The Franklin County Board of Supervisors has a written contract with Elliott, dated March 23, 2009, which establishes compensation for legal assistance in the collection of delinquent real estate taxes owed to the County (the "**Contract**"). A copy of the Contract is attached hereto as **EXHIBIT A** and is incorporated herein. Elliott was appointed in this case as Special Commissioner to sell the Franklin Property by Court Order, entered February 19, 2014.

6. Section 58.1-3969 of the *Code* states that "[n]o fee or commission shall be allowed or paid to any attorney for acting under the order of reference or as special commissioner, except as hereinafter provided, and the compensation contracted to be paid any such attorney by the governing body, . . . shall be in full for all services rendered by him."

7. On June 4, 2014, Fisher filed a petition for Chapter 13 bankruptcy in the United States Bankruptcy Court for the Western District of Virginia, Lynchburg Division, Case Number 14-61076 ("**Bankruptcy Case**").

[1] Prior to filing the case at bar, Elliott filed a separate action, as Case Number CL11006202-01, on behalf of the Franklin County Board of Supervisors, seeking permission to sell seven of eight parcels of the Franklin Property to pay delinquent real estate taxes owed to Plaintiff.

8. The automatic stay, imposed when Fisher filed his Bankruptcy Case, kept Elliott from completing the tax sale of the Franklin Property. The Bankruptcy Case remains open and active. A copy of the bankruptcy notice is attached hereto as **EXHIBIT B** and incorporated herein by reference.

9. On June 20, 2014, the Franklin County Treasurer's Office filed its Proof of Claim in Fisher's Bankruptcy Case alleging delinquent taxes on the Franklin Property totaled $26,754.69 ("**Proof of Claim**"). More than $23,000 of this amount is alleged to be owed as reasonable attorney's fees and court costs. A copy of the Proof of Claim is attached hereto as **EXHIBIT C** and incorporated herein by reference.

10. Upon information and belief, the attorney's fees sought are not reasonable and are not in accordance with the terms of the Contract. Pursuant to the Contract, Elliott is entitled to $50, plus $450 per parcel if taxes are collected in full prior to completion of sale; or to $50, plus $750 per parcel if sales are completed, with said fees being paid from the proceeds of sale. In this case, Elliott never completed the sale of the parcels and did not take any action to obtain relief from the automatic stay so that he could conclude the sales.

11. On September 11, 2014, Swofford filed a Motion for Relief from Stay in the Bankruptcy Case seeking relief from the automatic stay so that he could foreclosure upon his interests in the Franklin Property ("**Motion for Relief**"). The Bankruptcy Court granted the relief requested. A copy of the Order granting Swofford relief to foreclose and the coinciding Memorandum Opinion of the Bankruptcy Court are attached hereto as **EXHIBITS D** and **E**, and are incorporated herein by reference.

12. Thereafter, on January 29, 2015, the Franklin Property was sold by foreclosure sale, conducted by Substitute Trustee, Eric H. Ferguson. Swofford purchased the Franklin

Property with the highest bid at the foreclosure sale and is supposed to close on the sale on or before March 2, 2015.

13. In order to close the foreclosure sale, all delinquent and prorated taxes owed on the Franklin Property must be paid. Therefore, prior to closing the sale, Swofford requests that the Court determine the reasonable amount of attorneys' fees and costs that should be attributed to the uncompleted tax sales of the Franklin Property so that he can pay the proper amount of taxes due on the Franklin Property.

WHEREFORE, your Movant, Robert Swofford, respectfully requests that the Court determine the reasonable attorney's fees and costs that can be added to the Franklin County delinquent tax amounts on a per parcel basis, enter an Order to that effect, remove this case from the Court's docket as otherwise resolved by foreclosure sale, and grant such further relief as is appropriate under the circumstances.

Respectfully submitted February 25, 2015.

ROBERT SWOFFORD

By Counsel

Counsel:

Darren W. Bentley, VSB #48092
CLEMENT WHEATLEY
549 Main Street (24541)
P. O. Box 8200
Danville, VA 24543-8200
TELEPHONE: (434) 793-8200
FAX: (434) 793-8436

By: ______________________
Darren W. Bentley

CERTIFICATE OF SERVICE

I, Darren W. Bentley, of counsel for Defendant Robert Swofford, do hereby certify that a true copy of the foregoing Motion to Determine Reasonableness of Attorney's Fee was mailed to the parties in this action on February 25, 2015, at the following addresses:

James Elliott
P. O. Box 1410
Yorktown, VA 23692
Counsel for Franklin County Board of Supervisors

William Lee Fisher
5697 Oak Level Road
Bassett, VA 24055
Defendant

The Honorable Clyde H. Perdue, Jr., Judge, 22nd Judicial Circuit, Virginia
245 S Main St
Rocky Mount, VA 24151
Previously counsel for Raine & Perdue, PLC, Trustee under Deed of Trust

John W. Swezey
227 Starling Ave
Martinsville, VA 24112
Trustee under Deed of Trust

Darren W. Bentley

JAMES W. ELLIOTT
ATTORNEY AT LAW
7100 GEORGE WASHINGTON MEMORIAL HIGHWAY
YORKTOWN, VIRGINIA 23692

REPLY TO:
POST OFFICE BOX 1410
YORKTOWN, VA 23692

TELEPHONE
(757) 898-7000
FACSIMILE
(757) 890-2826

June 17, 2014

Susan Wray, Treasurer
Franklin County
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151

Re: The Board of Supervisors of
Franklin County, Virginia
vs.
William L. Fisher, et als
Case Nos. 11-6202 and 12-7747

Dear Ms. Wray:

It is my understanding that Mr. William L. Fisher has filed a bankruptcy petition.

In addition to the taxes owed to the County, attorney's fees and court costs of $23,478.82 should be included in this claim, as itemized below:

Tax Map Number 116.1-1	$ 2,924.46
Tax Map Number 116.1-2	$ 2,924.46
Tax Map Number 116.1-3	$ 2,924.46
Tax Map Number 116.1-4	$ 2,924.46
Tax Map Number 116.1-5	$ 2,924.46
Tax Map Number 116.1-6	$ 2,924.46
Tax Map Number 116.1-7	$ 2,924.46
Tax Map Number 116 00-012 00	$ 3,007.60

Please contact me if you have any questions or if I can be of further assistance.

Cordially yours,

James W. Elliott

JWE/vjl
Enclosure

Franklin County
A Natural Setting for Opportunity

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

REAL ESTATE TAX STATEMENT

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038231	1 of 2

MAP NUMBER
116 01-001 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$2,030.71

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office. Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	13,600		16,700	30,300	NOLEN & MENEFEE SUBD ACREAGE	3.3170

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	163.62	0.00	16.36	9.00	0.00	0.00	188.98
2012	163.62	0.00	16.36	27.00	0.00	0.00	206.98
2011	160.32	0.00	16.03	44.09	0.00	0.00	220.44
2010	160.32	0.00	16.03	61.72	0.00	0.00	238.07
2009	153.64	0.00	15.36	76.04	0.00	0.00	245.04
2008	153.64	0.00	15.36	92.94	0.00	0.00	261.94
2007	173.84	0.00	17.38	124.29	0.00	0.00	315.51
2005	173.84	0.00	17.38	162.53	0.00	0.00	353.75

* See the back of this notice for payment options and additional information

Return this stub with payment — Keep top stub for your tax record

COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-001 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$163.62	$0.00	$16.36	$9.00	$0.00	$0.00	$188.98
Other	$1,139.22	$0.00	$113.90	$588.61	$0.00	$0.00	$1,841.73

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36835	$1,302.84	$0.00	$130.26	$597.61	$0.00	$0.00	$2,030.71

153540

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

Franklin County
A Natural Setting for Opportunity

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038232	1 of 2

MAP NUMBER
116 01-002 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$83.19

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office. Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	1,500		0	1,500	RT 798 PHILLPOTT LOT 1	0.0000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	8.10	0.00	0.81	0.45	0.00	0.00	9.36
2012	8.10	0.00	0.81	1.34	0.00	0.00	10.25
2011	8.64	0.00	0.88	2.37	0.00	0.00	11.87
2010	8.64	0.00	0.86	3.33	0.00	0.00	12.83
2009	8.28	0.00	0.83	4.10	0.00	0.00	13.21
2008	8.28	0.00	0.83	5.01	0.00	0.00	14.12
2007	6.36	0.00	0.64	4.55	0.00	0.00	11.55

* See the back of this notice for payment options and additional information

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COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-002 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$8.10	$0.00	$0.81	$0.45	$0.00	$0.00	$9.36
Other	$48.30	$0.00	$4.83	$20.70	$0.00	$0.00	$73.83

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36836	$56.40	$0.00	$5.64	$21.15	$0.00	$0.00	$83.19

153541

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

Franklin County
Natural Setting for Opportunity

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038233	1 of 2

MAP NUMBER
116 01-003 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$96.14

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office. Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	1,500		0	1,500	NOLEN & MENEFEE SUBD LOT 2	0.0000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	8.10	0.00	0.81	0.45	0.00	0.00	9.36
2012	8.10	0.00	0.81	1.34	0.00	0.00	10.25
2011	8.64	0.00	0.86	2.37	0.00	0.00	11.87
2010	8.64	0.00	0.86	3.33	0.00	0.00	12.83
2009	8.28	0.00	0.83	4.10	0.00	0.00	13.21
2008	8.28	0.00	0.83	5.01	0.00	0.00	14.12
2007	6.36	0.00	0.64	4.55	0.00	0.00	11.55
2005	6.36	0.00	0.64	5.95	0.00	0.00	12.95

* See the back of this notice for payment options and additional information

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COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-003 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$8.10	$0.00	$0.81	$0.45	$0.00	$0.00	$9.36
Other	$54.66	$0.00	$5.47	$26.65	$0.00	$0.00	$86.78

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36837	$62.76	$0.00	$6.28	$27.10	$0.00	$0.00	$96.14

153542

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038234	1 of 2

MAP NUMBER
116 01-004 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$96.14

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office. Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	1,500		0	1,500	NOLEN & MENEFEE SUBD LOT 3	0.0000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	8.10	0.00	0.81	0.45	0.00	0.00	9.36
2012	8.10	0.00	0.81	1.34	0.00	0.00	10.25
2011	8.64	0.00	0.86	2.37	0.00	0.00	11.87
2010	8.64	0.00	0.86	3.33	0.00	0.00	12.83
2009	8.28	0.00	0.83	4.10	0.00	0.00	13.21
2008	8.28	0.00	0.83	5.01	0.00	0.00	14.12
2007	6.36	0.00	0.64	4.55	0.00	0.00	11.55
2005	6.36	0.00	0.64	5.95	0.00	0.00	12.95

* See the back of this notice for payment options and additional Information

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COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-004 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$8.10	$0.00	$0.81	$0.45	$0.00	$0.00	$9.36
Other	$54.66	$0.00	$5.47	$26.65	$0.00	$0.00	$86.78

153543

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36838	$62.76	$0.00	$6.28	$27.10	$0.00	$0.00	$96.14

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

Franklin County
A Natural Setting for Opportunity

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038235	1 of 2

MAP NUMBER
116 01-005 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$96.14

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office.
Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	1,500		0	1,500	NOLEN & MENEFEE SUBD LOT 4	0.0000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	8.10	0.00	0.81	0.45	0.00	0.00	9.36
2012	8.10	0.00	0.81	1.34	0.00	0.00	10.25
2011	8.64	0.00	0.86	2.37	0.00	0.00	11.87
2010	8.64	0.00	0.86	3.33	0.00	0.00	12.83
2009	8.28	0.00	0.83	4.10	0.00	0.00	13.21
2008	8.28	0.00	0.83	5.01	0.00	0.00	14.12
2007	6.36	0.00	0.64	4.55	0.00	0.00	11.55
2005	6.36	0.00	0.64	5.95	0.00	0.00	12.95

* See the back of this notice for payment options and additional information

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COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-005 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$8.10	$0.00	$0.81	$0.45	$0.00	$0.00	$9.36
Other	$54.66	$0.00	$5.47	$26.65	$0.00	$0.00	$86.78

153544

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36839	$62.76	$0.00	$6.28	$27.10	$0.00	$0.00	$96.14

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

Franklin County
A Natural Setting for Opportunity

TAX YEAR 2012

ACCOUNT NUMBER	PAGE
038236	1 of 2

MAP NUMBER
116 01-006 00

DUE DATE	PAY THIS AMOUNT
12/05/2012	$96.14

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office.
Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2012. Interest starts January 1, 2013.**

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	1,500		0	1,500	NOLEN & MENEFEE SUBD LOT 5	0.0000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2012	8.10	0.00	0.81	1.34	0.00	0.00	10.25
2013	8.10	0.00	0.81	0.45	0.00	0.00	9.36
2011	8.64	0.00	0.86	2.37	0.00	0.00	11.87
2010	8.64	0.00	0.86	3.33	0.00	0.00	12.83
2009	8.28	0.00	0.83	4.10	0.00	0.00	13.21
2008	8.28	0.00	0.83	5.01	0.00	0.00	14.12
2007	6.36	0.00	0.64	4.55	0.00	0.00	11.55
2005	6.36	0.00	0.64	5.95	0.00	0.00	12.95

* See the back of this notice for payment options and additional information

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COUNTY OF FRANKLIN - 2012 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-006 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2012	$8.10	$0.00	$0.81	$1.34	$0.00	$0.00	$10.25
Other	$54.66	$0.00	$5.47	$25.76	$0.00	$0.00	$85.89

64319

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36756	$62.76	$0.00	$6.28	$27.10	$0.00	$0.00	$96.14

2012 Real Estate Taxes are due by December 5, 2012

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

Franklin County
A Natural Setting for Opportunity

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038237	1 of 2

MAP NUMBER
116 01-007 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$96.14

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office. Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	1,500		0	1,500	NOLEN & MENEFEE SUBD LOT 6	0.0000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	8.10	0.00	0.81	0.45	0.00	0.00	9.36
2012	8.10	0.00	0.81	1.34	0.00	0.00	10.25
2011	8.64	0.00	0.86	2.37	0.00	0.00	11.87
2010	8.64	0.00	0.86	3.33	0.00	0.00	12.83
2009	8.28	0.00	0.83	4.10	0.00	0.00	13.21
2008	8.28	0.00	0.83	5.01	0.00	0.00	14.12
2007	6.36	0.00	0.64	4.55	0.00	0.00	11.55
2005	6.36	0.00	0.64	5.95	0.00	0.00	12.95

* See the back of this notice for payment options and additional information

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COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 01-007 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$8.10	$0.00	$0.81	$0.45	$0.00	$0.00	$9.36
Other	$54.66	$0.00	$5.47	$26.65	$0.00	$0.00	$86.78

153546

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36841	$62.76	$0.00	$6.28	$27.10	$0.00	$0.00	$96.14

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

COUNTY OF FRANKLIN
SUSAN J WRAY, TREASURER
1255 Franklin Street, Suite 101
Rocky Mount, VA 24151
Phone: 540-483-3078

Franklin County
A Natural Setting for Opportunity

TAX YEAR 2013

ACCOUNT NUMBER	PAGE
038229	1 of 2

MAP NUMBER
116 00-012 00

DUE DATE	PAY THIS AMOUNT
12/05/2013	$681.27

REAL ESTATE TAX STATEMENT

FISHER WILLIAM L
413 EAST CHURCH ST
MARTINSVILLE, VA 24112

INSTRUCTIONS

Real Estate Tax

1) The County Treasurer has no authority to make any assessments or adjustments. If you feel there is an error in the assessments, please address your inquiry to the Commissioner of Revenue's Office. Phone number is 540-483-3083.

2) **Real Estate taxes are due by December 5, each year. A 10% PENALTY will be charged if not paid by DECEMBER 5, 2013. Interest starts January 1, 2014.**

PROPERTY OWNERS ON JANUARY 1
FISHER WILLIAM L

CURRENT YEAR ASSESSMENT INFORMATION

TAX RATE	LAND	LAND USE	VALUE BUILDINGS AND IMPROVEMENTS	TOTAL VALUE	DESCRIPTION	ACREAGE
0.54	17,000		0	17,000	MILL CREEK RT 798	4.5000

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	91.80	0.00	9.18	5.05	0.00	0.00	106.03
2012	91.80	0.00	9.18	15.15	0.00	0.00	116.13
2011	81.60	0.00	8.16	22.44	0.00	0.00	112.20
2010	81.60	0.00	8.16	31.41	0.00	0.00	121.17
2009	78.20	0.00	7.82	38.71	0.00	0.00	124.73
2007	55.65	0.00	5.57	39.79	0.00	0.00	101.01

* See the back of this notice for payment options and additional information

Return this stub with payment

Keep top stub for your tax record

COUNTY OF FRANKLIN - 2013 REAL ESTATE TAX STATEMENT

MAP NUMBER: 116 00-012 00

TAX YEAR	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	TOTAL DUE
2013	$91.80	$0.00	$9.18	$5.05	$0.00	$0.00	$106.03
Other	$388.85	$0.00	$38.89	$147.50	$0.00	$0.00	$575.24

BILL NUMBER	TAX	RELIEF	PENALTY	INTEREST	FEES	CREDIT	PAY THIS AMOUNT
36833	$480.65	$0.00	$48.07	$152.55	$0.00	$0.00	$681.27

153538

2013 Real Estate Taxes are due by December 5, 2013

FISHER WILLIAM L

12

FRANKLIN COUNTY

Board of Supervisors

Franklin County

A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE: Omnisource	**AGENDA DATE** November 17, 2015 **ITEM NUMBER:**
SUBJECT/PROPOSAL/REQUEST: **Omnisource request for new recycling waste stream at Rocky Mount Facility**	**ACTION:** **CONSENT AGENDA:**
STRATEGIC PLAN FOCUS AREA:	**INFORMATION:**
GOAL #:	**ATTACHMENTS:** Yes
A…ION STRATEGY:	**REVIEWED BY:** BR
STAFF CONTACT(S): Messrs. Robertson, Whitlow, Sink	

BACKGROUND: Omnisource is the owner/operator of a metal recycling operation in the Franklin County Commerce Center. The operation consists of a metal recovery phase (the shredder) and a landfill for the associated generated waste (fluff). The entire operation is located on a portion of the tract of land originally owned by Roanoke Electric Steel. The Roanoke Electric Steel tract is also the tract from which Franklin County purchased the land for the Commerce Center. Approval for the landfill portion was granted by the Board of Supervisors following Virginia Department of Waste Management permitting and establishment of a "host fee" to be paid to Franklin County for material going in the landfill. Per Board of Supervisors Resolution (41-04-91) "Said approval at this time be limited to waste generated on-site with any other waste requiring separate approval of the Board prior to disposal." Per letters from Roanoke Electric Steel to then Franklin County Administrator Macon Sammons dated July 21, 1993 and March 7, 1995, methods were established to calculate landfill tonnages to apply the $3 per ton host to. Since that time the host fee payment has been reduced to $1.50 per ton. The current tonnage is being calculated on the basis of 20% of the gross tonnage going across the scales at the Rocky Mount site. The recent annual host fee revenues and documentation of the history of the host fee are attached.

DISCUSSION: In the ever increasing difficult business of recycling Omnisource is looking at more efficient methods of extracting metal commodities from its captive waste stream. Their recycling operation in Kernersville, NC is shredding cars and removing the ferrous material and is generating a fluff that still contains non-ferrous metals. (Copper, aluminum, stainless steel). They are exploring the possibility of bringing that material to the Rocky Mount Plant extract those metals and place the remaining fluff in the landfill at the Rocky Mount plant. Mr. Graham Bennett North Carolina/Virginia Division Manager will make a presentation for Omnisource on this proposed project.

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January 2015

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Omnisource appreciates the board reviewing our proposal to purchase automobile shredder residue(ASR) from our Kernersville Facility in North Carolina.

We plan to purchase up to 2500 GT/ Month @ approximately $.04/LB.

This material will be processed through our “Heavy Media” plant in Rocky Mount.

The Non-Ferrous fraction, approximately 15% will be sold and shipped. 90% of this product line ships offshore through the Norfolk, VA port adding additional benefits to Virginia. The remainder (fluff) will be introduced to the existing landfill and tipping fee forwarded to Franklin County for weight introduced. (Please refer to the schedule)

Formula:

Truck scale weight(GT) X 85%(or actual)Yield to landfill X $1.50

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Vertical Integration

- OmniSource Corporation is one of North America's largest processors and distributors of scrap and secondary metals.
  - 70+ recycling facilities(Over 2400 employees)
    - Located in Indiana, Ohio, Michigan, Virginia, North Carolina, South Carolina, Tennessee, and Georgia.
  - Wholly owned subsidiary of Steel Dynamics Inc., a Fortune 300 Company with annual revenues exceeding 8 billion dollars.
  - Omnisource is part of a vertically integrated business unit in the Roanoke Valley that incorporates recycling plants(Omni), a steel mill(SDI), and a joist and deck company(New Millennium).
  - These three business units employ a workforce of 686 people in the greater Roanoke area.

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Who We Are

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OMNISOURCE NCV DIVISION

OmniSource Sports Team Sponsors : 14
Community Event Supporters : 20
OmniSource – Created Events : 4

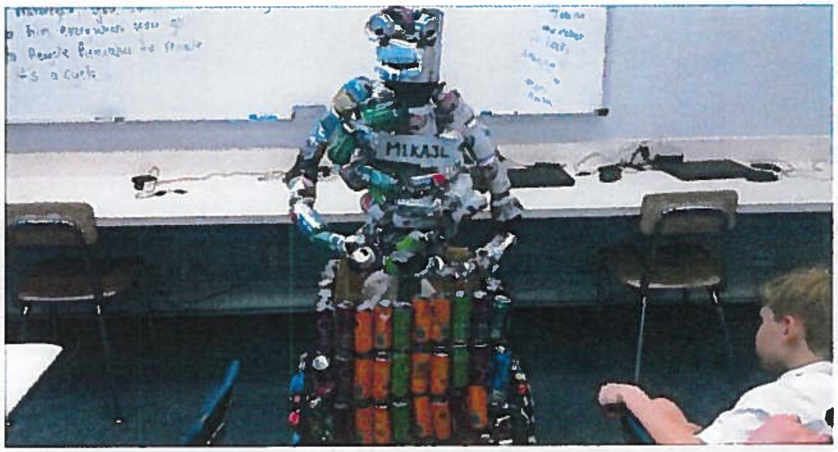
- *OmniSource Earth Day Video Contest*
- *OmniSource YMCA Recycling Drive*
- *OmniSource Recycling Champion Award*
- *OmniSource Cash for your Cause*

OmniSource Charities

- *Susan G. Komen*
- *Ronald McDonald House*
- *Wounded Warrior*
- *United Way*

Omnisource Virginia supports Susan G. Komen through donations in a Recycling for the cure campaign.

OmniSource supports local sports teams!



Recycle M1KA3L FINAL REVISION (2:59)

OmniSource challenges students with video contest to submit videos about why recycling is cool, school creates talking robot made of recycled materials.

Omnisource Corporation (What We Do)

- Annual Processing Capacity of more than 7 million tons of ferrous scrap and over a billion pounds of nonferrous

- OmniSource in in 2014 …
  - Over 1.4 million GTS of Ferrous processed
  - Over 212 million LBS of Non-ferrous

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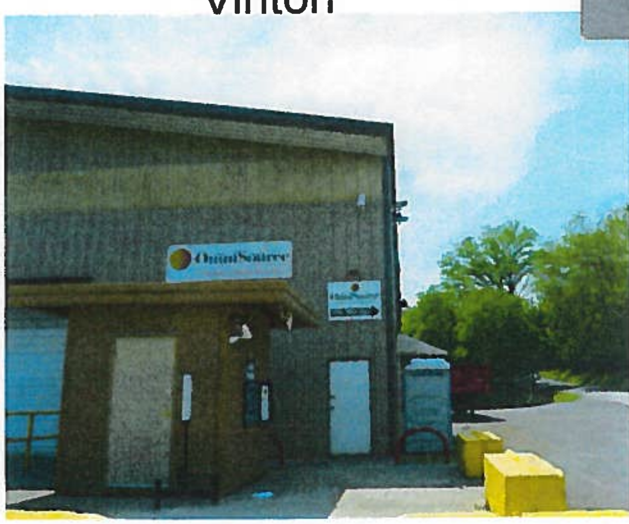
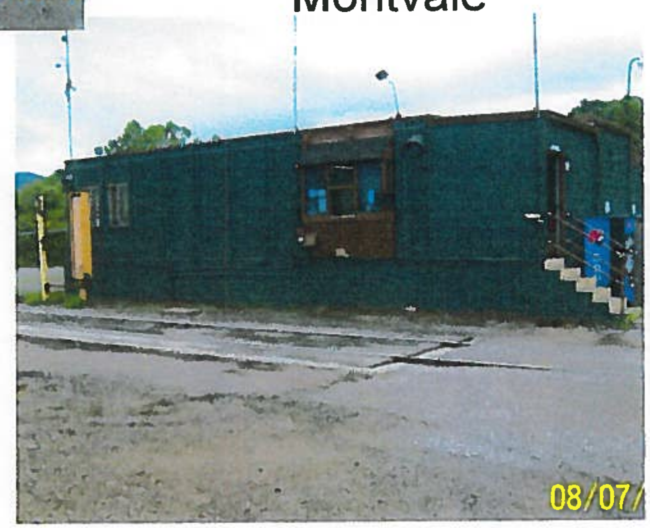
OmniSource In Virginia

700 Commerce Rd
Rocky Mount

282 Wayland Ave SE
Vinton



1144 Fluff Rd
Montvale



NCV Statistics

- In 2014 the total expenditures of the OmniSource NCV locations exceeded 213 million dollars. This expenditure is largely distributed throughout the NCV region.
- In 2014 $15,379,866.00 was paid out to 297 OmniSource employees living in the NCV region.
  - Federal Income Tax of $1,819,760.00
  - State Income Tax of $ 668,731.00
  - FICA Tax of $ 2,222,606.00
- Total Scrap Purchases in 2014:
  - $174,223,886.00 paid out to customers. This is money redistributed to the citizens and businesses of the NCV region.
- Total Goods and Services Purchased in 2014:
  - $23,562,132.00

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OmniSource In NCV

- **Who are our customers?**
  - The General Public
    - May recycle regularly as a means to supplemental income or maybe only once a year when cleaning out the garage
  - The Trade Professionals
    - Hvac, Plumbing, Construction, Machine shops
  - Metal Recyclers
    - Scrap yards that do not process. They collect and sell to processing companies, such as OmniSource
  - Industrial Manufacturers
    - Scrap metal is a by product of their manufacturing process.
  - 13 NCV facilities shipped:

1. FE Shipments	469, 479 NT
2. SNF Shipments	19,692 NT
3. NF Shipments	16,577 NT

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OmniSource In NCV– Who Are our Customers

NS NORFOLK SOUTHERN

ScrapCo METAL RECYCLING

SDI

Metalsa
Quality as a way of life

Thomas BUILT BUSES

Gilbarco

UF

GE

DUKE ENERGY®

D.H. GRIFFIN
Wrecking Co., Inc.

B/E AEROSPACE

Coilplus

ABB

SIEMENS

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Rocky Mount History

- **1990** – Roanoke Electric Steel purchases Peaceful Valley Farms 400 acres. Purchased in conjunction with VDOT and Franklin County grants that would allow Franklin County to repurchase excess land and develop a industrial park.

- **1993** – Shredder installed by Shredded Products to process auto's and supply the Roanoke Bar Mill. Business is operated as Shredded Products.

- **2006** – Steel Dynamics purchases Roanoke Electric Steel.

- **2008** – Shredded Products is becomes Omnisource Southeast which is a fully owned subsidiary of Steel Dynamics.

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Rocky Mount ASR Contract History

- **1993** – Shredder installed to process auto's and supply the Roanoke Bar Mill. Business is operated as Shredded Products.
- **2004** –The current contract for Rocky Mount's tipping fees is set as the following:

  Formula:

  # of cars X 2165(Avg. Auto Weight) / 20%(Waste Yield) X $1.50/GT

- **2006** – Steel Dynamics purchases Roanoke Electric Steel.
- **2008** – Shredded Products becomes Omnisource Southeast.

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Omnisource Proposal

- **Omni proposes to continue with the current $1.50/ ton tipping fee on the product we purchase from our Kernersville, NC location.**
  - **This would be based on inbound certified truck scale weights.**

2500GT (Avg additional product from NC) X 85%(or actual yield to landfill) = 2125GT

2125GT X $1.50 = $3187.50 (monthly tipping fee on new material)

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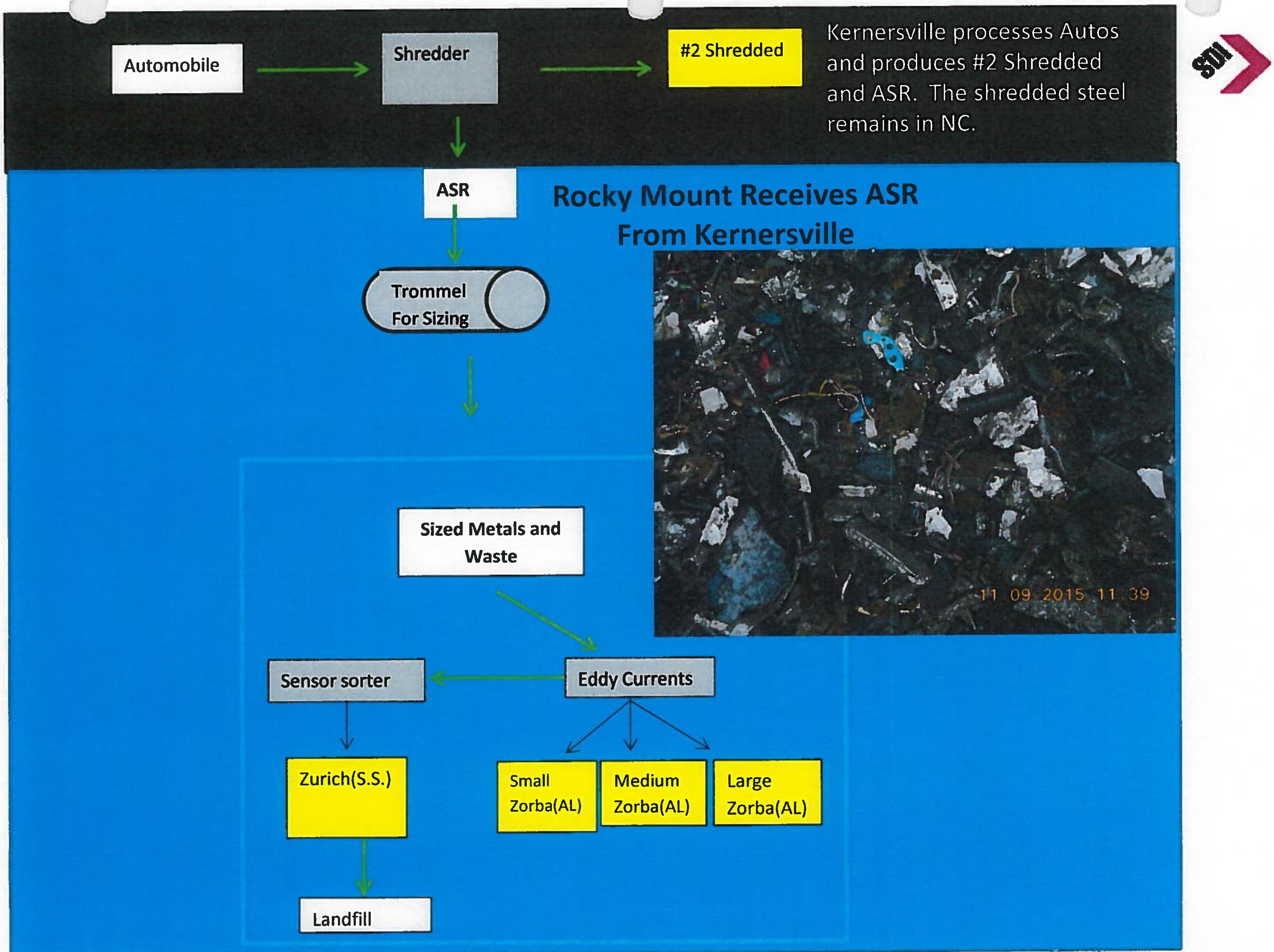
How We Process

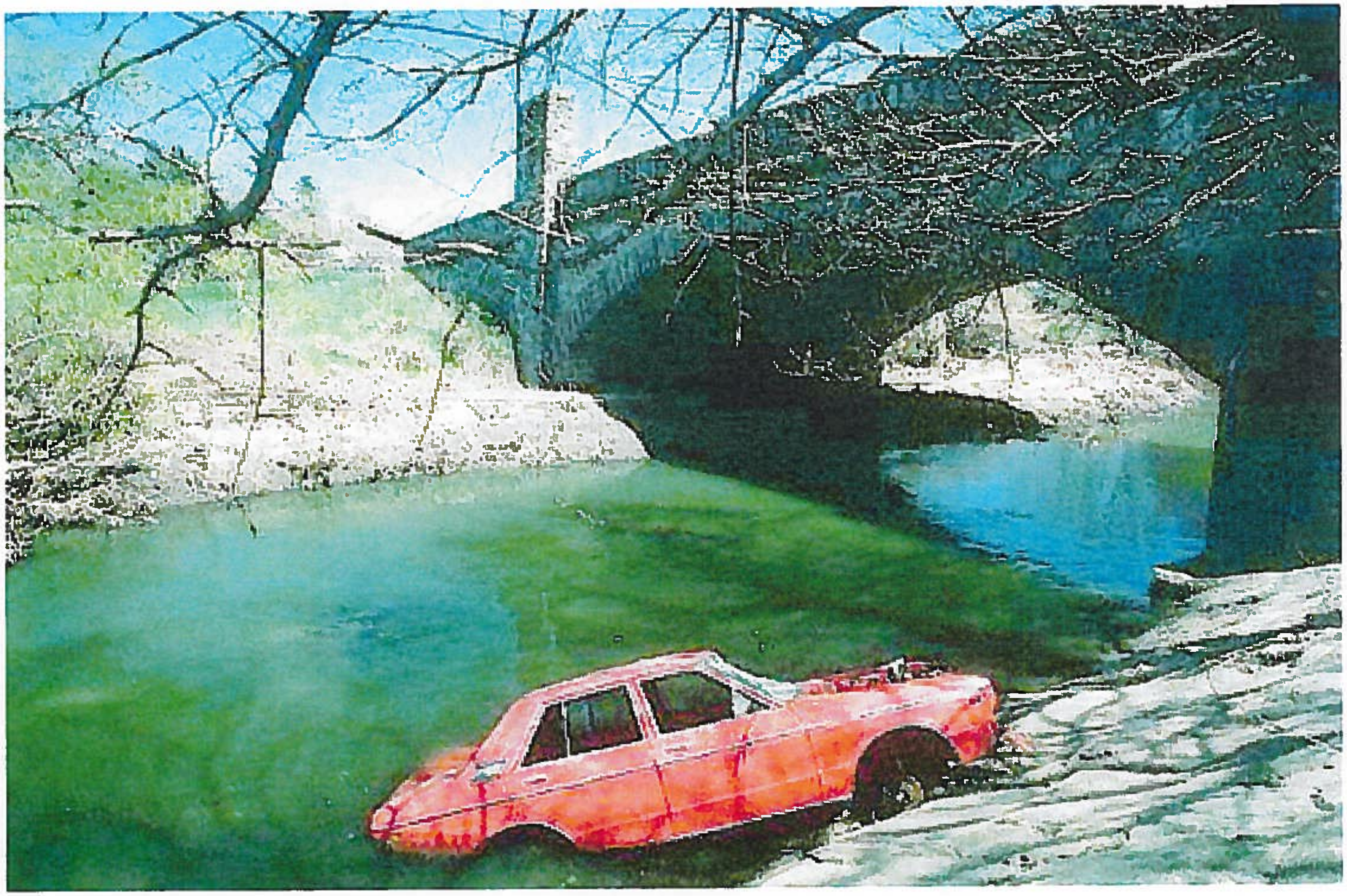

Automobile
Shredder
#2 Shredded
Kernersville processes Autos and produces #2 Shredded and ASR. The shredded steel remains in NC.
ASR
Rocky Mount Receives ASR From Kernersville
Trommel For Sizing
Sized Metals and Waste
Eddy Currents
Sensor sorter
Zurich(S.S.)
Landfill
Small Zorba(AL)
Medium Zorba(AL)
Large Zorba(AL)
11 09 2015 11 39

#2 Shredded Product

Automotive Shredder Residue (ASR)

OmniSource in the NCV - Impact

What if Metal Recycling did not exist?
Life in 1975!



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Recycling Fun Facts

- **When we recycle aluminum, we reduce energy use by 90 percent and air pollution by 95 percent.—***NYS Dept of Environmental Conservation (2011 website)*

- **For every ton of aluminum we recycle, we reduce carbon dioxide emissions by 13 tons, saving 237 BTUs of energy.—***NYS Dept of Environmental Conservation (2011 website)*
  - *OmniSource's NCV locations recycled over 6849 net tons of Aluminum in 2014 thus reducing Carbon emissions by over 89,000 tons and saving over 4.6 million BTUs of energy*

- **For every can we recycle, we save enough energy to run a 60 watt light bulb for 26 hours or to run a TV for 3 hours.**
  —NYS Dept of Environmental Conservation (2011 website)
  - *OmniSource's NCV locations recycled* 1.6 *million pounds of Aluminum cans in 2014!*

- **For every ton of steel we recycle, we save 2,500 pounds of iron ore, 1,000 pounds of coal, and 40 pounds of limestone.**
  —NYS Dept of Environmental Conservation
  - *OmniSource's NCV locations recycled over 496,000 NTS of steel in 2014, thus saving 1.2 billion pounds of iron ore, 496 million pounds of coal, and 19.8 million pounds of limestone*

- **When we recycle steel, we use 40 percent less water than is used to make virgin steel. In addition, we reduce air pollution by 86 percent and water pollution by 76 percent.**
  —NYS Dept of Environmental Conservation

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Benefits

- Increased Revenue
  - Increased exports from Virginia based ports.
  - The additional ASR tons will effectively triple Franklin County's tipping fees.
  - More employees brings additional income to the county.
  - The increase in volume will increase our need for local goods and services.
- Streamlining of Omnisource Operations
  - Improves Omnisource's Economic condition in tough commodity driven markets.
  - Kernersville's facility does not have the capacity to handle the product we are proposing the purchase of.
  - Increases Omni volume allows for Rocky Mount to ask for higher sales prices.

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Benefits-Future Outlook

- Future Operations
  - Reinvestment into our current ASR plant. Possible plans have been estimated at $3 million to upgrade. Additional equipment is designed to remove the red metals we are currently losing.
  - We are investigating the possibility of mining our landfill with technology similar to Second Pass. This would mean a significant capital investment in Franklin County, as well as a large employee base for Omni and other supporting services.

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Joint Venture Landfill Mining Facility

Positive Environmental Track Record

OmniSource SOUTHEAST

Rocky Mount Facility
Environmental
Programs

OmniSource believes that a positive approach towards conserving and enhancing natural resources is consistent with our core values, and is fundamental to the scrap and secondary metals industry. OmniSource is committed to operating its business in an environmentally responsible manner that protects human health, natural resources, and the environment. We go beyond compliance with the law to integrate sound environmental practices into our daily decisions and activities. We have in the past met our environmental commitments, and will continue to pursue a course of responsible environmental stewardship, complying with all federal, state, and local environmental laws and regulations.

In an effort to ensure that all inbound scrap metals are handled responsibly, OmniSource has developed and implemented several best-management practices at our Rocky Mount facility, as outlined below:

<u>Inbound Source Control Program</u>

We have learned that the easiest and most cost effective solution to potential environmental concerns is to keep problem material out of our yards. Therefore, it is our policy not to accept any un-approved material. To ensure that no un-approved material is accepted, Rocky Mount personnel are trained to identify both 'prohibited' and 'conditionally acceptable' material. OmniSource also believes that by educating our suppliers about these materials is vital to a successful program. Our educational efforts include: providing written notifications, providing access to program resources, and conducting awareness training.

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Positive Environmental Track Record

Radiation Detection Program

Rocky Mount is equipped with a radiation detection system, which consists of a portal detector plus a hand-held survey meter. The radiation detection system is utilized to minimize the health and financial risks associated with accepting 'orphan' radioactive scrap by working closely with the Virginia Radiological Health Program.

Mercury Switch Removal Program

To remove mercury out of the scrap stream and ensure the quality of our final end product, we developed one of the first Mercury Switch Removal Programs in the scrap industry. We are proud to say that this program has been reviewed and praised by both regulatory and industry personnel. The program relies heavily on educating our suppliers as to how they can assist us in providing a mercury free product to our consuming facilities.

Due Diligence Program

Before shipping product to consuming facilities or by-products to waste management facilities, we conduct an environmental review to determine applicable compliance history. This ensures that all our output streams are being handled by responsible companies.

Refrigerant Program

In order to protect the upper ozone layer, we require that all dealer suppliers certify that they are aware of the refrigerant regulations and that they have properly removed refrigerants from appliances, motor vehicle air conditioners (MVAC) and MVAC-like appliances prior to delivery to our facilities. We also recover refrigerant from charged units (MVAC, MVAC-like appliances) supplied by retail and contracted commercial and/or industrial suppliers with EPA approved recovery units.

Positive Environmental Track Record

<u>Storm Water Pollution Prevention Program</u>

In order to comply with Clean Water Act requirements and to protect our local streams, a Storm Water Pollution Prevention Plan (SWPPP) has been developed and implemented for our Rocky Mount facility. In particular, the Rocky Mount facility employs two detention ponds to reduce pollutant discharge concentrations and diversion ditches to channel storm water away from sensitive operations.

<u>Spill Prevention Program</u>

Rocky Mount's spill prevention program is formalized in a Spill Prevention, Control and Countermeasure plan. This program focuses on assessments, countermeasures, containment, inspections, training and response. In particular, the Rocky Mount facility employs a concrete containment structure for bulk storage tanks and has below surface discharges on both detentions ponds to ensure that any potential accidental petroleum release is retained on-site.

<u>Landfill Management Program</u>

Our largest waste stream, shredder fluff, is managed on-site in a permitted landfill. This landfill is constructed with a liner and leachate collection system - the design and installation of which was reviewed and approved by the Virginia Department of Environmental Quality. We utilize properly certified personnel to operate the landfill, contract with an independent third party to monitor potential environmental impacts (landfill gas, surface water and ground water), and are inspected on a quarterly basis by the state (see the attached inspection reports for 2015). It should be noted, that the landfill is a source of revenue for the county, as we pay a 'Host Fee' per ton of material landfilled.

Positive Environmental Track Record

COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY
Blue Ridge Regional Office
www.deq.virginia.gov

Molly Joseph Ward
Secretary of Natural Resources

David K. Paylor
Director

Robert J. Weld
Regional Director

Lynchburg Office
7705 Timberlake Road
Lynchburg, Virginia 24502
(434) 582-5120
Fax (434) 582-5125

Roanoke Office
3019 Peters Creek Road
Roanoke, Virginia 24019
(540) 562-6700
Fax (540) 562-6725

September 23, 2015

Mr. James Winegar
OmniSource - Southeast
2233 Wal-Pat Road
Smithfield, NC 27577

NO DEFICIENCY LETTER

RE: OmniSource Industrial Landfill - SWP552 - Rocky Mount, VA
Unannounced Compliance Inspection – September 2, 2015

Dear Mr. Winegar:

On September 2, 2015, staff from the Virginia Department of Environmental Quality's Blue Ridge Regional Office conducted an inspection of the solid waste management facility operating under SWP552. During this inspection, the facility was evaluated for compliance with the Virginia Waste Management Act, Virginia Solid Waste Management Regulations (VSWMR, 9VAC20-81-10, et seq) and SWP552.

During the inspection no apparent violations of your permit or the VSWMR were observed. A copy of the inspection checklist is enclosed.

If you have any questions, please contact me at (434) 582 - 6226 or Douglas.Foran@deq.virginia.gov.

Sincerely,

Doug Foran
Solid Waste Inspector

Copy: Greg Cosentino, OmniSource, gcosentino@OmniSourceSE.com
DEQ - BRRO ECM Solid Waste Files

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Recycling Economic Impact Study

Scrap recycling is a major U.S.-based industry dedicated to transforming end-of-life products and industrial scrap into new commodity grade materials and driving economies by making the old, new again. Recognized as one of the world's first green industries, scrap recycling creates and supports jobs and has a positive impact on the environment by reducing greenhouse gas emissions, saving energy, and protecting our natural resources.

In 2015, the Institute of Scrap Recycling Industries, Inc. (ISRI) retained the independent economic consulting firm of John Dunham and Associates (guerrillaeconomics.com) to perform an economic impact analysis to document the size and scope of the scrap recycling industry in the United States and document its significant contribution to the U.S. economy, in terms of employment, tax generation, and overall economic benefit.

The U.S. scrap recycling industry is not only a thriving economic engine, but also a pivotal player in environmental protection, resource conservation, and sustainability. The industry recycled more than 135 million metric tons of materials in 2014, transforming outdated or obsolete scrap into useful raw materials needed to produce a range of new products.

Recycling reduces greenhouse gas emissions by significantly saving the amount of energy needed to manufacture the products that we buy, build, and use every day. The energy saved by recycling may then be used for other purposes, such as heating our homes and powering our automobiles.

In addition to being an environmental steward, the study confirmed that the U.S. scrap recycling industry plays a prominent role as an economic leader, job creator, and major exporter. Specifically, the study found that the people and firms that purchase, process, and broker old materials to be manufactured into new products in America provide 471,587 adults with good jobs in the United States and generate more than $105.81 billion annually in economic activity.

Recycling Economic Impact Study

Summary of Findings

Employment: Source of Green Jobs

While many in the public policy world talk about the need for more green jobs, the scrap recycling industry has already been creating these environmentally friendly jobs and other opportunities here in the United States for decades. The study found that in 2015, 149,010 jobs are being supported by the manufacturing and brokerage operations of the scrap recycling industry in the United States. These are good jobs paying an average of $77,153 in wages and benefits to American workers. In addition to this, 322,577 jobs throughout the U.S. economy are indirectly supported by the scrap recycling industry through suppliers and the indirect impact of the industry's expenditures.

"The economic benefits generated by the scrap recycling industry are widespread."

U.S. Scrap Recycling Industry Facilities

These are real people with real jobs -- not only in firms that process scrap materials into new, usable commodity inputs, but in firms that supply the industry with recycled materials, like auto yards and independent peddlers, as well as firms that supply machinery, trucks, and services to processors.

In addition, thousands of people in industries seemingly unrelated to scrap materials recycling, from servers in restaurants, to construction workers, to teachers in local schools, depend on the re-spending of the wages and taxes paid by scrap recycling industry to their workers and suppliers.

The economic benefits generated by the scrap recycling industry are widespread. Not only are scrap facilities located in every state throughout the country and in both urban and rural communities, but the firms that supply materials, goods, and services to processors and brokers are also located in every part of the country. This means that the U.S. scrap recycling industry provides good-paying jobs in every state in the union. The study results are broken down by state, congressional district, and state legislative districts at ISRI.org/jobstudy.

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Recycling Economic Impact Study

Overall Economic Activity

The activities of the scrap recycling industry in the United States generate nearly $105.81 billion annually in economic benefits here at home. All told, the U.S. scrap recycling industry accounts for 0.68 percent of the nation's total economic activity, making it similar in size to the data processing and hosting industry, the dental industry, and the automotive repair industry.

Tax Revenues to Federal, State, and Local Governments

The scrap recycling industry generates substantial revenues for state and local governments throughout the United States, as well as for the federal government.

- The industry generates about $4.39 billion in state and local revenues annually, revenues that are used to help communities and people throughout the country.
- Another $6.76 billion in federal taxes are paid annually by the industry and its employees.

Export Activities: Creating Thousands of Jobs Here at Home

Scrap commodities are among the nation's largest exports by value, and overall, exports account for 26.79 percent of the industry's economic activity. These exports create approximately 125,276 good green jobs in the United States and help strengthen the national economy. According to the study, in 2015, 39,022 jobs are directly supported by the export activities associated with the processing and brokerage operations of scrap recyclers operating in the United States. An additional 86,254 jobs are supported by supplier operations and through the indirect effects of scrap recycling exports. These jobs pay a total of $5.43 billion in wages. All of this activity generates $28.34 billion in economic benefits in the United States and contributes $1.31 billion in tax revenues for the federal government and $1.65 billion in state and local taxes.

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Recycling Economic Impact Study

In fact, were it not for these export markets, many materials, including post-consumer paper and electronics, would probably not be recycled at all simply because there is limited demand for them in the United States. By opening up new markets, the nation's recycled materials producers create demand for materials that might otherwise end up in landfills.

In the case of electronic products, for example, there simply is not enough demand in the United States for the more expensive post consumer materials, including gold and titanium, that may be smelted out of circuit boards, capacitors, and other electronic parts. On the other hand, countries like India, where demand for gold is particularly high, see value in these materials.

The scrap industry is the first link in the global supply chain for the growing demand of all manner of commodities ranging from iron and steel to paper, nonferrous metals such as aluminum, copper, and zinc, plastics, electronics, rubber, and more. The result is economic and environmental sustainability for our nation and our world through the supply of high quality, environmentally-friendly and energy saving raw materials to the global marketplace.

In 2014, the industry exported nearly $21 billion in commodity grade scrap products to more than 160 countries, significantly helping the U.S. balance of trade. In fact, in terms of volume, scrap materials are among the nation's largest commodity exports, in line with other important commodity export products like grain and corn, cotton, timber, and petroleum. The scrap materials processed in the United States are exported to other countries for manufacture into new products. Rather than encouraging the use of virgin materials, America's recycled materials help reduce worldwide energy demand and greenhouse gases as well as the need to mine and harvest virgin materials.

Economic Benefits of Exporting Scrap Commodities Are No Different Than Those That Occur Exporting Any Other Product

International trade is an important part of the American economy. In 2014, nearly $2.344 trillion in goods and services were exported from the United States, and about $2.849 trillion were imported.9 More than 38 million Americans work for companies that engage in international trade, according to the U.S. Chamber of Commerce, and one in four manufacturing jobs depends on exports.

Recycling Economic Impact Study

One reason that so much waste paper is sent to China for reprocessing is that wood pulp is very expensive in Asia. In the United States, on the other hand, integrated paper manufacturers use a mixture of pre- and post-consumer recycled paper as well as wood pulp from specially raised forests to manufacture paper products.

India accounted for over one-quarter of world gold demand in the 2014. Together, India and China accounted for about 53 percent of world demand. The United States, on the other hand accounted for just about 5 percent. About 9 percent of India's gold comes from recycled materials. See Gold Demand Trends Full The U.S. International Trade Association projects that U.S. exports supported an estimated 11.7 million jobs in 2014, up from 11.4 million in 2013.

To suggest that the export of recycled commodities would somehow destroy jobs in the United States is no different than stating that the export of corn, or of coal, or of cotton, somehow takes away American jobs. In fact, President Barack Obama, in his first State of the Union address to Congress, highlighted exports as a pillar of economic growth on which the country will depend in the future.

FRANKLIN COUNTY

Board of Supervisors

Franklin County

A Natural Setting for Opportunity

EXECUTIVE SUMMARY

AGENDA TITLE:
Collection site rolloff truck bids

SUBJECT/PROPOSAL/REQUEST:
Request to purchase two collection site rolloff trucks Per RFP specs

STAFF CONTACT(S):
Messrs. Robertson, Whitlow, Sink, and Smith

AGENDA DATE
November 17, 2015

ITEM NUMBER:

ACTION:

CONSENT AGENDA: Yes

INFORMATION:

ATTACHMENTS: Bid sheet

REVIEWED BY: BR

BACKGROUND:

Franklin County operates a front load greenbox system for the collection of the residential solid waste throughout the county. Due to the high expense, inefficiency and public misuse of this system, on February 17, 2015, the Board of Supervisors approved the funding to consolidate the existing greenbox sites into secure, manned sites with stationary trash compactors and rolloff type containers. At the September 15, 2015 Board meeting staff was authorized to advertise for RFPs for the first two roll off trucks for the collection site conversion.

DISCUSSION

During October 2015 staff properly advertised for RFPs for 2 new roll off trucks to service the new collection sites. We received six different proposals from two different truck chassis vendors. Each vendor provided an Allison transmission option and a non-Allison Transmission option. One truck chassis vendor had two options for the roll off hoist and hydraulics. The Allison Auto 6 transmission price was requested as it is now the industry standard and comes with a five year unlimited mileage warranty which helps reduce the transmission repairs from inexperienced driving habits. Advantage Fleet out of Charlotte North Carolina was low bidder meeting specifications. They submitted a Volvo VHD64B200 Chassis with a Galbreath Roll-off cable hoist package. The cable hoist package will be installed by Cavalier Equipment in Cloverdale, VA. Service on the truck including warranty work can be performed By Truck Enterprises in Roanoke. They are a certified Volvo dealer. The successful bid for each complete unit was $156,695 for a two unit total of $313,391.60. Staff had estimated and budgeted $320,000 for the pair. With approval, the units can be built and delivered in early spring of March 2016.

RECOMMENDATION:

Staff respectfully requests the Board of Supervisors to authorize purchase of the two Volvo roll-off truck complete units from Advantage Fleet for $313,391.60. The funds are budgeted and appropriated in the Collection and Recycling Centers Capital Account 30-00-036-0044-57011.

Franklin County

A Natural Setting for Opportunity

BID SHEET FORM FOR

(2) Roll-Off Truck, Hoist & Tarp

DATE/TIME OF BID OPENING: Monday, Nov. 2, 2015 @ 4

VENDOR RESPONDING	CONTACT PERSON	TELEPHONE NUMBER (1)	AMOUNT OF QUOTE (2)	Bond MEETS SPECS YES/NO
Advantage Truck Center	Bruce Stadler	$155,527.00	$147,158.56	✓
Va. Truck Center	A	$158,958.00	$163,299.00	✓
	B	$159,057.00	$163,398.00	

I hereby certify that the above responses to the bid or services request were received in a timely fashion and opened in public on 11, 2, 2015

Signature K. Tudor

BIDSHEETFORMS/sharon